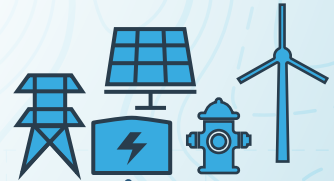


24th

ANNUAL REPORT 2018-2019



Zero Risk
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Mr. Vish Tadimety CEO & Chairman, CyberTech
with
Mr. Jack Dangermond, President ESRI
at
Esri Cornerstone Partner 2019 Award Ceremony



CyberTech

Systems and Software Limited

Corporate Information

Corporate Identity Number (CIN) L72100MH1995PLC084788

BOARD OF DIRECTORS

Chairman

Mr. Vish Tadimety (Non – Executive)

Directors

Mr. Sudhir Joshi (Independent)
Mr. M. P. Bharucha (Independent)
Dr. N. L. Sarda (Independent)
Dr. Shreepad Karmalkar (Independent)
Ms. Angela C. Wilcox (Independent)
Mr. Steven Jeske (Non-Executive)
Mr. Ramasubramanian S. (Executive)
Ms. Amogha Tadimety (Non-Executive)

KEY MANAGERIAL PERSONNEL

Mr. Praveen Agarwal (CFO)
Ms. Sarita Leelaramani (Company Secretary)

AUDITORS

Bagaria & Co. LLP, Chartered Accountants
(Statutory Auditors)
Desai Associates, Chartered Accountants
(Internal Auditors)
S. Anantha & Ved LLP, Company Secretaries
(Secretarial Auditors)

REGISTRAR & SHARE TRANSFER AGENT

M/s. Link Intime India Private Ltd.
C 101, 247 Park, L.B.S Marg, Vikhroli (West), Mumbai - 400083
C- 022-491 86000 | F - 022-491 86060
E-mail ID: mumbai@linkintime.co.in
Website: www.linkintime.co.in

REGISTERED OFFICE

'CyberTech House'
Plot no. 63/64/65, MIDC, Road no. 21/34, Wagle Estate
Thane (W) - 400604
C- 022 - 2583 4643 | F- 022 2583 2574
E-mail ID: cssl.investors@cybertech.com
Website: www.cybertech.com

BRANCH OFFICE

CyberTech Systems & Software Ltd.
Lunkad Sky Vista, Unit No 701, 7th Floor, Viman Nagar
Pune – 411016.
E-mail ID: info@cybertech.com
Website: www.cybertech.com

SOLICITORS

M/s. Bharucha & Partners, Mumbai

LISTED AT

National Stock Exchange of India Ltd.
BSE Ltd.

BANKERS

Union Bank of India

WHOLLY OWNED SUBSIDIARIES

CyberTech Systems and Software Inc. USA

Corporate Office:
3800 Horizon Blvd, Suite #104,
Trevose, PA 19053, USA
E-mail ID: info@cybertech.com
Website: www.cybertech.com

Spatialitics LLC, USA

1301 West 22nd Street, Suite 308
Oak Brook, IL 60523, USA
E-mail ID: info@spatialitics.com
Website: www.spatialitics.com



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CyberTech
Systems and Software Limited

LETTER TO SHAREHOLDERS

Dear Fellow Shareholders,

It gives me great pleasure to share my thoughts on the Financial Year 2019 performance. It was a great financial year that observed robust top line as well as bottom line growth, mainly driven by our US business. We continued to invest in people, IT systems and software platform to strengthen our capabilities for future growth. We continued to invest in our strategic partnerships with esri® and also SAP® and Cisco®.

Financial Highlights

Let me first share key financial highlights of FY19 with you:

- Our total revenue stood at ₹ 1031.1 million in FY 19 against ₹ 952.1 million in FY 18.
- Our net income for FY19 was at ₹ 102.3 million as against ₹ 31.7 million in FY18 reflecting a growth of 222.8% over previous year.
- Our operating revenue stood at ₹ 967.6 million in FY19 as against ₹ 870.5 million in FY18 reflecting a growth of 11.2% in rupee terms. The growth was mainly driven by growth in US business which constitutes 91% of revenue.
- Our EBITDA for FY19 was at ₹ 198.7 million (19.3% of total revenue) as against ₹ 114 million in FY18 (12% of total revenue), a substantial growth of 74% on YoY basis and 21% operating margin in FY 19 shows our operational discipline
- We continue to have a strong balance sheet with reliable long term profit streams, predictable business and no debt.
- Our US based business maintained growth of 19% for the year primarily led by orders from both new and existing customers.
- Change in India based operations relating to GeoCivic and focus on software sales through channel partners.

Business Matters

During the year, we won an important contract for SAP S/4 HANA implementation from a large chemical company. We will continue to focus on deepening our SAP relationship and see SAP S/4HANA move as a great opportunity for us going forward. Our joint workshop offering with SAP Database Migration Factory in India is gaining traction from several Indian enterprises.

Our product portfolio continues to be promoted through our strategic channel partners - Cisco®, Microsoft®, esri® and SAP®. During the year, your company was honoured as an esri® Cornerstone Partner at the esri® Partner Conference 2019 which validates our commitment towards the GeoSpatial community. Our long term partnership with Esri has consistently demonstrated that with strong and unparalleled GeoSpatial expertise, we can help our customers to derive tremendous GeoSpatial insights. Our partnerships and alliances are the key growth driver in Company's future growth.

We have recently launched our second technology support centre for esri's cutting-edge GIS products and technologies in Pune. The new location will focus on expanding CyberTech's world-class capabilities in offering support for ArcGIS product suite to users globally. We are privileged to have Esri as an invested partner and look forward to not only continuing to provide high quality technical support services, but also deliver complex solutions based on large geographically enabled data sets. As a 20 year partner, we are committed to invest in bringing to the market latest Esri's GIS solutions, Cloud based Enterprise Analytics along with Spatial SAAS Services.

Our US-based subsidiary, Spatialitics LLC, which was formed to focus on our spatial analytics based fabric and product portfolio, is growing in line with our strategy. We are in process of discussion with several leading Utility players to become our "Lighthouse customers" for our product suite. We see significant momentum in our HIPAA-Compliant Geocoding service and Spatialitics Utilities Apps suite. We will continue to invest in our engineering product developments under the Spatialitics brand.

During the year, we formed an Industry Advisory Board for Spatialitics with prominent industry leaders from various domains. Captain Brandon Gillespie from Modesto Police Department joined the Advisory Board as our Public Safety expert. His advice will help us to revolutionize the public safety sector with the use of spatial analytics. Also, Mr. Mike Armstrong, GM of WaterOne joined as the Chairman of the Advisory Board. His leadership will help us deliver superior value to regulated industries, such as Utilities, using spatial analytics and establish Industry user groups.

We will continue to focus strongly on marketing to generate demand. During the year, we participated and showcased our SAP offerings and Spatialitics products in SAP FKOM (SAP Field Kick-Off Meeting) 2019 and GeoSpatial World Forum 2019. Our experts were part of panel discussions in several SAP and Esri events. We have also become a member of American Water Works Association (AWWA).

We continue to focus on reducing cost and improving operational efficiency. Our target to complete existing GeoCivic accounts by FY20 is on schedule. GeoCivic continues to be a powerful product for municipalities to manage their property taxes efficiently and hence we are trying to change our business model from existing Service Industry to pure Software Seller through Channel Partners.



CyberTech

Systems and Software Limited

Today's enterprises are sitting on oceans of data and meshing up this data can offer significant strategic advantage. Unfortunately, in most of the cases either the data sources are operating in silos or are not structured in meaningful way, failing to offer this competitive advantage. Also, the amount of risk involved in transforming existing digital systems to new age ERP's are stopping enterprises investing in such initiatives. Zero Risk transformation approaches and ability to connect disparate data sources to generate ready-to-act insights are the need of the hour for modern-age enterprises and your company is moving towards right direction as we have this mix in our offerings.

I would like to conclude by saying that we see good growth momentum in our business guided by the clear articulation of our strategy, the strong support of our Board, and the continual commitment of the management team to make this a reality. We stay committed to help our customers in achieving better performance in their respective industries and to deliver enhanced value to all our key shareholders.

On behalf of CyberTech's Board, I would like to thank all our shareholders, customers and employees for reposing their faith in us. We are confident about our bright future for CyberTech.

With regards,

Vish Tadimety
Chairman

Trevose, PA, USA

Date: August 12, 2019

NOTICE

NOTICE is hereby given that the **Twenty-Fourth (24th) Annual General Meeting (AGM)** of the members of **CyberTech Systems and Software Limited ('the Company/CyberTech')** will be held on **Friday, September 27, 2019 at 04:00 P.M.** at the Registered Office of the Company situated at CyberTech House, Plot No. B-63/64/65, Road No. 21/34, J.B. Sawant Marg, MIDC, Wagle Estate, Thane – 400 604 to transact the following businesses:

ORDINARY BUSINESS:

- To receive, consider and adopt (a) the Audited Standalone Financial Statement of the Company for the financial year ended March 31, 2019 and the reports of the Board of Directors and Auditors thereon; and (b) the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2019 and the report of Auditors thereon and in this regard, to pass the following resolutions as **Ordinary Resolutions:**
 - "RESOLVED THAT the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2019 and the reports of the Board of Directors and Auditors thereon be and are hereby considered and adopted."***
 - "RESOLVED THAT the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2019 and the reports of the Auditors thereon be and are hereby considered and adopted."***
- To declare a dividend on Equity Shares for the Financial Year ended March 31, 2019 and in this regard, to pass the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT a dividend at the rate of Re.1/- (Rupee One only) per Equity Share of ₹ 10/- (Rupees Ten only) each on 2,75,15,593 fully paid-up Equity Shares of the Company, as recommended by the Board of Directors of the Company, be and is hereby declared for payment for the Financial Year ended March 31, 2019, to those eligible shareholders as per the Book-closure of the Company kept for this purpose."
- To appoint Ms. Amogha Tadimety (DIN: 06952042), who retires by rotation as a Director and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Ms. Amogha Tadimety (DIN:06952042), who retires by rotation at this meeting and being eligible, offers herself for re-appointment, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

SPECIAL BUSINESS:

- Approval for holding the office or place of profit by Mr. Steven Jeske as Director in CyberTech Systems and Software Inc. U.S.A.**

To consider, and if thought fit, to pass, the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to Section 188(1)(f) and other applicable provisions, if any, of the Companies Act, 2013, and the Rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force) and other applicable regulations, if any, of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and further to the recommendation of the Nomination and Remuneration Committee, Audit Committee and the approval of the Board of Directors, the consent of the members of Company be and is hereby accorded to Mr. Steven Jeske, to continue to hold an office or place of profit as Director in 'CyberTech Systems and Software Inc.' U.S.A., the wholly-owned subsidiary of the Company, at revised remuneration not exceeding US\$ 300,000 per annum for a period of three (03) years with effect from October 01, 2019 to September 30, 2022, as mentioned in the explanatory statement annexed to the notice."

- Approval for holding the office or place of profit by Mr. Vish Tadimety as Director in CyberTech Systems and Software Inc. U.S.A.**

To consider, and if thought fit, to pass, the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to Section 188(1)(f) and other applicable provisions, if any, of the Companies Act, 2013, and the Rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force) and other applicable regulations, if any, of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and further to the recommendation of the Nomination and Remuneration Committee, Audit Committee and the approval of the Board of Directors, the consent of the members of Company be and is hereby accorded to Mr. Vish Tadimety (also known as Vish Tadimety), to continue to hold an office or place of profit as Director in 'CyberTech Systems and Software Inc.' U.S.A., the wholly owned subsidiary of the Company, at revised remuneration not exceeding US\$ 400,000 per annum for a period of three (03) years with effect from October 01, 2019 to September 30, 2022, as mentioned in the explanatory statement annexed to the notice."

- To re-appoint Mr. Sudhir Joshi, as an Independent Director of the Company.**

To consider and if thought fit, to pass the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and other applicable Regulations of the SEBI



(Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, read with Schedule IV to the Act, Mr. Sudhir Joshi (DIN:00349597), be and is hereby re-appointed as an Independent and Non-Executive Director of the Company, not liable to retire by rotation, for a second term of five years from September 30, 2019 to September 29, 2024 as duly recommended by the Nomination and Remuneration Committee of the Company."

"RESOLVED FURTHER THAT pursuant to Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the applicable provisions of the Companies Act, 2013 and relevant Rules framed thereunder (including any statutory modification(s) / amendment(s) / re-enactment(s) thereto), approval of the Members be and is hereby accorded to Mr. Sudhir Joshi (DIN:00349597), to continue to hold the office of Independent Director on attaining age of Seventy Five (75) years during the tenure of his re-appointment as an Independent and Non-Executive Director of the Company."

7. To re-appoint Dr. N. L. Sarda, as an Independent Director of the Company.

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and other applicable Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, read with Schedule IV to the Act, Dr. N.L. Sarda (DIN 00147782), be and is hereby re-appointed as an Independent and Non-Executive Director of the Company, not liable to retire by rotation, for a second term of five years from September 30, 2019 to September 29, 2024 as duly recommended by the Nomination and Remuneration Committee of the Company."

"RESOLVED FURTHER THAT pursuant to Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the applicable provisions of the Companies Act, 2013 and relevant Rules framed thereunder (including any statutory modification(s) / amendment(s) / re-enactment(s) thereto), approval of the Members be and is hereby accorded to Dr. N.L. Sarda (DIN 00147782), to continue to hold the office of Independent Director on attaining age of Seventy Five (75) years during the tenure of his re-appointment as an Independent and Non-Executive Director of the Company."

8. To re-appoint Dr. Shreepad Karmalkar as an Independent Director of the Company.

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and other applicable Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, read with Schedule IV to the Act, Dr. Shreepad Karmalkar (DIN:03273896), be and is hereby re-appointed as an Independent and Non-Executive Director of the Company, not liable to retire by rotation, for a second term of five years from September 30, 2019 to September 29, 2024 as duly recommended by the Nomination and Remuneration Committee of the Company."

9. To re-appoint Mr. M. P. Bharucha as an Independent Director of the Company.

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and other applicable Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, read with Schedule IV to the Act, Mr. M. P. Bharucha (DIN 00361911), be and is hereby re-appointed as an Independent and Non-Executive Director of the Company, not liable to retire by rotation, for a second term of five years from October 01, 2019 to September 30, 2024 as duly recommended by the Nomination and Remuneration Committee of the Company."

"RESOLVED FURTHER THAT pursuant to Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the applicable provisions of the Companies Act, 2013 and relevant Rules framed thereunder (including any statutory modification(s) / amendment(s) / re-enactment(s) thereto), approval of the Members be and is hereby accorded to Mr. M. P. Bharucha (DIN 00361911), to continue to hold the office of Independent Director on attaining age of Seventy Five (75) years during the tenure of his re-appointment as an Independent and Non-Executive Director of the Company."

10. Payment of Commission to the Independent Directors of the Company.

To consider, and if thought fit, to pass, the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to Section(s) 197, 198 and other applicable provision(s), if any, of the Companies Act, 2013 and Rules made thereunder read with Schedule V to the Act and Regulation 17(6)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) thereof, approval of the Members be and is hereby accorded for payment of commission out of the net

profits of the Company calculated in accordance with the provisions of Section 198 of the Act, not exceeding one percent per annum in aggregate, to the Independent and Non-Executive Directors of the Company in such amounts or proportions and in such manner as may be directed by the Board of Directors and such payments shall be made out of the profits of the Company for each year, for a period of five years, commencing from Financial Year 2019-20 to Financial Year 2023-24.”

By Order of the Board of Directors

sd/-

Sarita Leelaramani
Company Secretary and Compliance Officer
Membership No. A35587

Place: Thane

Date: August 12, 2019

Registered Office:

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

CIN: L72100MH1995PLC084788

Tel.: 91 22 25834643/44/45 Fax: 91 22 25832574

Website: www.cybertech.com

E-mail: cssl.investors@cybertech.com



NOTES:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL, VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as a proxy on behalf of not exceeding fifty (50) members and holding in aggregate not more than ten (10) per cent of the total paid-up share capital of the Company. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. The holder of proxy shall prove his identity at the time of attending the Meeting.
- 2. PROXY FORM DULY STAMPED AND EXECUTED IN ORDER TO BE EFFECTIVE, MUST REACH AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME OF COMMENCEMENT OF THE ANNUAL GENERAL MEETING.**
3. Corporate Members intending to send their authorized representative to attend the meeting are requested to send to the Registered Office of the Company a certified copy of the Board Resolution, authorizing their representative to attend and vote on their behalf at the meeting.
4. In terms of Section 152 of the Companies Act, 2013, Ms. Amogha Tadimety (DIN: 06952042), retires by rotation at the Meeting and being eligible, offers herself for re-appointment. Details of Directors seeking re-appointment as required pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India is provided under Note No. 30
5. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, for Item No. 4 to Item No. 10 is annexed and forms part of this notice.
6. Pursuant to Section 91 of the Companies Act, 2013 and Rule 10 of the Companies (Management and Administration) Rules, 2014 read with Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Register of Members and Share Transfer Books of the Company shall remain closed from September 21, 2019 to September 27, 2019 (both days inclusive) for the purpose of 24th AGM and dividend.
7. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three (3) days of notice in writing is given to the Company.
8. Members/Proxy holders/authorized representatives should bring the duly filled Attendance Slip.
9. The Register of Directors and Key Managerial Persons and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the Members at the AGM.
10. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
11. Pursuant to the provisions of Section 72 of the Companies Act, 2013, Members holding shares in physical form and desirous of making nomination in respect of their shareholding in the Company are requested to submit details to the Registrar and Share Transfer Agent, M/s. Link Intime India Private Limited, Mumbai, in the prescribed Form SH – 13. Members holding shares in demat form may contact their respective DP for recording of nomination.
12. SEBI vide its Press Release dated March 27, 2019, has mandated that transfer of securities shall only be in dematerialized form, from April 01, 2019 onwards except in case of transmission or transposition of securities. Accordingly, shareholders are requested to dematerialize their shares held in physical form to enable smooth transfer of securities in real time.
- 13. Please note that pursuant to aforesaid SEBI notification in point no. 12, Link Intime India Pvt. Ltd., our Registrar and Transfer Agent and Company will not accept any request for transfer of shares in physical form. This restriction shall not be applicable to the request received for transmission or transposition of physical shares unless SEBI notifies anything in contrary thereto.**
- 14. Members desirous of holding shares in physical form are requested to advise any change in their registered address or Bank particulars, to the Company's Registrar and Share Transfer Agent, M/s. Link Intime India Private Limited, Mumbai, quoting their folio number. Members holding shares in electronic form are requested to intimate about change of address or bank particulars to their respective Depository Participant and not to the Company. All the Members are encouraged to utilize the Electronic Clearing System (ECS) for receiving dividends.**
15. In case of joint holders attending the meeting the Members whose name appears as the first holders in the order of names as per the register of Members of the Company will be entitled to vote.
16. Members desiring any information on the Accounts of the Company are requested to write/fax to the Company at cssl.investors@cybertech.com / 022 -25834643 at least 10 days in advance so as to enable the Company to keep the information ready.
17. In all correspondence with the Company or with its Registrar & Share Transfer Agent, members are requested to quote their folio number, and in case the shares are held in dematerialized form, they must quote their Client ID Number and DPID Number.

18. If the Dividend, as recommended by the Board of Directors, is approved at the Annual General Meeting, payment of such dividend will be made on or before Friday, October 25, 2019 as under:
- To all Beneficial Owners in respect of shares held in the dematerialized form as per the data as may be made available by the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) as of the close of the business hours on Friday, September 20, 2019;
 - To all Members in respect of shares held in physical form after giving effect to valid transmissions/transpositions in respect of transmissions/transpositions requests lodged with the Company on or before the close of business hours on Friday, September 20, 2019, whose name will appear on the Company's Register of Members on Saturday, September 21, 2019.
19. Additional information, pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of the Directors seeking appointment/re-appointment at the AGM is furnished hereunder. The Directors have furnished consent / declaration for their appointment/re-appointment as required under the Companies Act, 2013 and Rules thereunder.
20. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form are required to submit their PAN details to the Company.
21. Members may also note that the Notice of the 24th AGM and the Annual Report 2018-19 is available on the Company's website: <http://www.cybertech.com/investors/overview.aspx>. The physical copies of the documents referred to in the Notice will be available for inspection by the members at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on all working days except Saturday & Sunday, up to the date of Annual General Meeting. Members who require communication in physical copies, in addition to e-communication, or have any other queries, may write to us at cssl.investors@cybertech.com
22. Transfer of unclaimed/Unpaid amounts to the Investor Education and Protection Fund (IEPF):
- Pursuant to Section 125 and other applicable provisions, if any, of the Companies Act, 2013, all unclaimed/unpaid dividends, remaining unclaimed/unpaid for a period of seven years from the date they became due for payment, in relation to the Company have been transferred to the IEPF established by the Central Government.
- Members are requested to note that no claim shall lie against the Company in respect of any dividend amount which was unpaid / unclaimed for a period of seven (7) years and transferred to the IEPF. However, members may claim from the IEPF Authority, both unclaimed dividend amount and the shares, if any, transferred to IEPF Authority Account as per the applicable provisions of the Act and rules made thereunder. For details w.r.t. unpaid / unclaimed Dividend and shares transferred members can visit our website: <https://www.cybertech.com/investors/overview.aspx>
23. Members who have not yet encashed their dividend warrant(s) pertaining to the Dividend for the Financial Year 2012-13, onwards are requested to make their claims without any delay to Link Intime India Pvt. Ltd. , Unit: CyberTech Systems & Software Ltd., Address: C 101, 247 Park, LBS Marg, Vikhroli West, Mumbai, Maharashtra 400083. It may be noted that the unclaimed Final Dividend for the Financial Year 2011-12 declared by the Company on September 28, 2012 can be claimed by the shareholders by September 27, 2019.
24. The Investors, who have not yet encashed / claimed the Dividend, are requested to encash/claim the Dividend by corresponding with the Registrar and Share Transfer Agents and Company Secretary. Members are requested to note that dividend not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will in terms of Section 124 of the Companies Act, 2013, be transferred to the "Investor Education and Protection Fund". The details of unclaimed/unpaid dividend are placed on the website of the Company <http://www.cybertech.com/investors/overview.aspx>.
25. Investors holding the shares in physical form should provide the National Electronic Clearing Service (NECS) mandate to the Company's R&TA and investors holding the shares in demat form should ensure that correct and updated particulars of their bank account are available with the Depository Participant (DP). This would facilitate in receiving direct credits of dividends, refunds etc., from Company and avoid postal delays and loss in transit. Investors must update their new bank account numbers allotted after implementation of Core Banking Solution (CBS) to the Company's R&TA in case of shares held in physical form and to the DP in case of shares held in demat form.
26. **To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with Link Intime India Pvt. Ltd./Depositories.**
27. The Annual Report 2018-19 is being sent through electronic mode only to the members whose email address are registered with the Company / Depository Participant(s), unless any member has requested for a physical copy of the Report. For members who have not registered their email address, physical copies of the Annual Report 2018-19 are being sent by the permitted mode.
28. In compliance with Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, substituted by the Companies (Management and Administration) Amendment Rules, 2015, and Regulation 44 of the SEBI (Listing Obligations and Disclosure



Requirements) Regulations, 2015, the Company has provided a facility to the members to exercise their votes electronically through electronic voting service facility arranged by Link Intime India Private Limited. The facility for voting, through Polling Paper, will be also made available at the AGM and the members attending the AGM who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through Polling paper. Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again. The instructions for e-voting are annexed to the Notice.

29. The Notice of the 24th AGM and instructions for e-voting, along with Proxy form is being sent through electronic mode to all members whose email address are registered with the Company / Depository Participant/(s), unless any member has requested for a physical copy of the same. For members who have not registered their email address, physical copies of the documents are being sent by the permitted mode. Attendance slips shall be made available at the AGM venue and will be hosted on the website of the company along with Annual Report.
30. Information required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 (SS-2) with respect to the Director, seeking appointment/re-appointment is as under:

a. Details pertaining to Independent Directors

Name of the Director	Mr. Sudhir Joshi	Dr. N. L. Sarda	Dr. Shreepad Karmalkar	Mr. M. P. Bharucha
Date of Birth	February 27, 1947	May 02, 1948	June 25, 1961	October 29, 1948
Age	72	71	58	71
Date of appointment in current designation	September 30, 2014	September 30, 2014	September 30, 2014	September 30, 2015
Date of original appointment on the Board of the Company	September 30, 2010	September 28, 2012	September 30, 2010	September 30, 2011
Terms & Conditions of Appointment/re-appointment	Re-appointment as a Non-Executive and Independent Director for a second term of five (5) years, not liable to retire by rotation	Re-appointment as a Non-Executive and Independent Director for a second term of five (5) years, not liable to retire by rotation	Re-appointment as a Non-Executive and Independent Director for a second term of five (5) years, not liable to retire by rotation	Re-appointment as a Non-Executive and Independent Director for a second term of five (5) years, not liable to retire by rotation
Brief Resume of the Director	Mr. Sudhir Joshi is a professional banker with 38 years of experience in the banking industry. He is an Ex-Treasurer of HDFC Bank Ltd. He is currently serving on the Board of National Securities Clearing Corporation of India Ltd. and is a member of its Executive Committee and Audit and Risk Committee. He has previously held key positions with State Bank of India. He was also part of the Times Bank Core Management Team as Executive Vice President-Treasury.	Dr. N.L. Sarda has extensive experience as the Professor of Computer Science and Engineering at IIT Bombay and is presently a Visiting Professor at the newly established IIT Dharwad. He was Professor-in-Charge of Innovation and Entrepreneurship at IIT Bombay. In this role, he coordinated with the Society for Innovation and Entrepreneurship (SINE) and actively facilitated IITB's faculty and students to convert intellectual property developed by them into business ventures. He has also served as the Director on the Boards of various nationalized Banks.	Dr. Karmalkar is a Professor of Electrical Engineering at IIT Madras. He has held visiting research / teaching assignments at several US universities. He has authored numerous articles in journals and books, and has been awarded several patents in the areas of semiconductor device modeling and process development. For his research contributions, He has received the 2006 Vikram Sarabhai Award and a 2007 IBM Faculty Award.	Mr. Bharucha is a Law graduate from the University of Mumbai. He is a senior partner of Bharucha & Partners, Mumbai. His area of practice involves International Arbitration, Commercial litigation, General Advisory, Mergers & Acquisitions and Real Estate. He is the vice president of Bombay Incorporated Law Society and an advocate-on-record, Supreme Court of India.

Qualification	Bachelor of Science (Chemistry) from University of Pune, Certified Associate of the Indian Institute of Banking and Finance.	B.E. (Electrical), Nagpur University, India; M.Tech (Comp. Sci.) IIT Bombay; Ph.D.(Comp. Sci.), IT Bombay; and Executive Development Program, Kellogg School of Management, Northwestern University, USA.	B. Tech and accelerated PhD degrees in Electrical Engineering from IIT Madras	L.L.B., University of Mumbai; solicitor, Bombay High Court; Solicitor, Supreme Court of England and Wales; Solicitor, Hong Kong.
Nature of expertise/ Experience	Finance, Operations, Strategy and Business Development	Technical knowhow, Strategy, Finance and Business Development	Technical knowhow, Strategy and Business Development	Legal, Finance, Strategy and Business Development
No. of shares held in the Company as on March 31, 2019	Nil	Nil	Nil	Nil
Directorships (Excluding alternate directorship, foreign companies and companies under Section 8 of the Companies Act, 2013)	1. CyberTech Systems & Software Ltd. 2. The Clearing Corporation of India Ltd. 3. Essel Finance Home Loans Limited 4. Essel MF Trustee Limited	1. CyberTech Systems & Software Ltd. 2. Ujjivan Small Finance Bank Ltd. 3. E-Mudhra Ltd. 4. Omhy Technologies Pvt. Ltd.	CyberTech Systems & Software Ltd.	1. CyberTech Systems & Software Ltd. 2. Lucid Colloids Ltd.
Chairman/Member of the committees of the Board of Directors of the Listed Entity(s) as on March 31, 2019	CyberTech Systems & Software Ltd. Chairman of Audit Committee, Nomination & Remuneration Committee, Stakeholder Relationship Committee and Corporate Social Responsibility Committee	CyberTech Systems & Software Ltd. Member of Audit Committee, Nomination & Remuneration Committee, Stakeholder Relationship Committee and Corporate Social Responsibility Committee	CyberTech Systems & Software Ltd. Member of Audit Committee, Nomination & Remuneration Committee, Stakeholder Relationship Committee	CyberTech Systems & Software Ltd. Member of Nomination & Remuneration Committee
Number of Board Meeting attended during the year*	4	4	1	4
Inter se relationship between the Directors	Nil	Nil	Nil	Nil
Information as required pursuant to BSE Circular with ref. no. LIST/COMP/14/2018-19 and the National Stock Exchange of India Ltd with ref. no. NSE/ CML/ 2018/ 24, dated 20/06/18	Mr. Sudhir Joshi is not debarred from holding the office of director by virtue of any SEBI order or any other such authority.	Dr. Sarda is not debarred from holding the office of director by virtue of any SEBI order or any other such authority.	Dr. Karmalkar is not debarred from holding the office of director by virtue of any SEBI order or any other such authority.	Mr.M.P. Bharucha is not debarred from holding the office of director by virtue of any SEBI order or any other such authority.

b. Details pertaining to Non-Executive Directors.

Name of the Director	Ms. Amogha Tadimety	Mr. Vish Tadimety	Mr. Steven Jeske
Date of Birth	June 08, 1992	October 5, 1962	December 09, 1952
Age	27	57	67
Date of Appointment in current designation	September 30, 2014	May 23, 1995	September 30, 2008
Date of First appointment on the Board of the Company	September 30, 2014	May 23, 1995	September 30, 2008
Terms & Conditions of Appointment/ re-appointment	Non-Executive Director of the Company liable to retire by rotation	Chairman and Non-Executive promoter Director of the Company liable to retire by rotation	Non-Executive Director of the Company liable to retire by rotation



Brief Resume of the Director	Ms. Amogha Tadimety is a PhD Candidate in Biomedical Engineering and Innovation at the Thayer School of Engineering at Dartmouth College, NH, USA. She graduated from Princeton University in 2014 with a B.S.E. in Chemical and Biological Engineering. Amogha has worked at some leading research institutions at Harvard and Oxford University, and has industry experience in financial services at IDFC in Mumbai and Novantas in NYC.	Mr. Vish Tadimety is the Chairman and co-founder of the Company. He has extensive experience as a turnaround specialist, raising capital from the public markets, strategic partners and venture funds. He along with Mr. Steven Jeske co-founded Corliant with seed Capital from Cisco Systems and partner venture capital funds. Corliant designed next generation IP networks for the Telecom and Enterprise clients. In 2007, Accenture acquired Corliant and He was named Global Managing Director for Cisco Solutions Unit at Accenture.	Mr. Steven Jeske is a serial entrepreneur having been involved in the formation, financing and growth of several high profile start-ups. He was a former manager at PwC®. He has been involved in strategy and financing decisions, including building several promising technology practice areas such as Internet working and Geospatial Solutions to substantial size and scale
Qualification	B.S.E. in Chemical and Biological Engineering Princeton University, USA	M. Tech from Indian Institute of Technology-Madras	Certified public accountant from (AICPA), undergraduate degree in accounting from the University of Illinois and a Masters of Business Administration degree from the University of Chicago.
Nature of expertise/ Experience	Strategy and Business Development	Technical knowhow, operations, Strategy, Finance and Business Development	Strategy, Finance, Operations and Business Development
No. of shares held in the Company as on March 31, 2019	254,320	57,21,141	24,31,433
Directorships (Excluding alternate directorship, foreign companies and companies under Section 8 of the Companies Act, 2013)	CyberTech Systems & Software Ltd.	CyberTech Systems & Software Ltd.	CyberTech Systems & Software Ltd.
Chairman/Member of the committees of the Board of Directors of the Listed Entity(s) as on March 31, 2019	Nil	<u>CyberTech Systems & Software Ltd.</u> Member of Nomination & Remuneration Committee and Corporate Social Responsibility Committee	Nil
Number of Board Meeting attended during the year*	4	4	4
Inter se relationship between the Directors	Ms. Amogha Tadimety ,Non-Executive Director is Daughter of Mr. Vish Tadimety, Chairman and Non-Executive Director of the Company		Nil
Information as required pursuant to BSE Circular with ref. no. LIST/COMP/14/2018-19 and the National Stock Exchange of India Ltd with ref. no. NSE/ CML/ 2018/ 24, dated 20/06/18	Ms. Amogha is not debarred from holding the office of director by virtue of any SEBI order or any other such authority.	Mr. Vish Tadimety is not debarred from holding the office of director by virtue of any SEBI order or any other such authority.	Mr. Steven Jeske is not debarred from holding the office of director by virtue of any SEBI order or any other such authority.

*Attendance includes in person and/or through audio visual means.

31. M/s. Bagaria & Co. LLP, Chartered Accountants (Firm Registration No. 113447W), were appointed as the Statutory Auditors of the Company to hold the office for a period of five (5) consecutive years commencing from the conclusion of the 22nd Annual General Meeting held on September 28, 2017, subject to ratification by the members at every Annual General Meeting. Further, pursuant to the notification of Section 40 of the Companies (Amendment) Act, 2017, with effect from May 7, 2018, the requirement of ratification of the Statutory Auditors by the members is no longer required. Taking into consideration this amendment, the annual ratification is not sought this year onwards till the expiry of the term of the Statutory Auditors i.e. till the conclusion of 27th AGM of the Company.

32. Route Map to the venue of AGM is annexed as per Secretarial Standard -2 in page no. 201

INSTRUCTIONS FOR E-VOTING

❖ **"InstaVOTE" e-Voting System of Link Intime India Private Limited (LIPL)**

The voting period begins on Tuesday, September 24, 2019 at 9.00 a.m. and ends on Thursday, September 26, 2019 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on Saturday, September 21, 2019, (cut-off date) may cast their vote electronically. The e-voting module shall be disabled by Link Intime India Pvt. Ltd. for voting thereafter.

1. The shareholders should visit the e-voting website <https://instavote.linkintime.co.in>.
2. Click on "Login" tab, available under 'Shareholders' section.
3. Enter your User ID, password and image verification code (CAPTCHA) as shown on the screen and click on "SUBMIT".
4. Your User ID details are given below:
 - a. Shareholders holding shares in demat account with NSDL: Your User ID is 8 Character DP ID followed by 8 Digit Client ID
 - b. Shareholders holding shares in demat account with CDSL: Your User ID is 16 Digit Beneficiary ID
 - c. Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company
5. Your Password details are given below:

If you are using e-Voting system of LIPL: <https://instavote.linkintime.co.in> for the first time or if you are holding shares in physical form, you need to follow the steps given below:

Click on "Sign Up" tab available under 'Shareholders' section register your details and set the password of your choice and confirm (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter).

For Shareholders holding shares in Demat Form or Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (applicable for both demat shareholders as well as physical shareholders). <ul style="list-style-type: none"> • Members who have not updated their PAN with depository Participant or in the company record are requested to use the sequence number which is printed on Ballot Form / Attendance Slip indicated in the PAN Field.
DOB/DOI	Enter the DOB (Date of Birth)/ DOI as recorded with depository participant or in the company record for the said demat account or folio number in dd/mm/yyyy format.
Bank Account Number	Enter the Bank Account number as recorded in your demat account or in the company records for the said demat account or folio number. <ul style="list-style-type: none"> • Please enter the DOB/ DOI or Bank Account number in order to register. If the above mentioned details are not recorded with the depository participants or company, please enter Folio number in the Bank Account number field as mentioned in instruction (iv-c).

If you are holding shares in demat form and had registered on to e-Voting system of LIPL: <https://instavote.linkintime.co.in>, and/or voted on an earlier voting of any company then you can use your existing password to login.

If Shareholders holding shares in Demat Form or Physical Form have forgotten password:

Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case shareholder is having valid email address, Password will be sent to the shareholders registered e-mail address. Else, shareholder can set the password of his/her choice by providing the information about the particulars of the Security Question & Answer, PAN, DOB/ DOI, Dividend Bank Details etc. and confirm. (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter)

NOTE: The password is to be used by demat shareholders for voting on the resolutions placed by the company in which they are a shareholder and eligible to vote, provided that the company opts for e-voting platform of LIPL.

For shareholders holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

❖ **Cast your vote electronically**

- After successful login, you will be able to see the notification for e-voting on the home page of INSTA Vote. Select/ View "Event No" of the company, you choose to vote.
- On the voting page, you will see "Resolution Description" and against the same the option "Favour/Against" for voting. Cast your vote by selecting appropriate option i.e. Favour/Against as desired.



- Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'. You may also choose the option 'Abstain' and the shares held will not be counted under 'Favour/Against'.
- If you wish to view the entire Resolution details, click on the 'View Resolutions' File Link.
- After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "YES", else to change your vote, click on "NO" and accordingly modify your vote.
- Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.
- You can also take the printout of the votes cast by you by clicking on "Print" option on the Voting page.

❖ **General Guidelines for shareholders:**

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to e-Voting system of LIPL: <https://instavote.linkintime.co.in> and register themselves as 'Custodian / Mutual Fund / Corporate Body'.

They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the 'Custodian / Mutual Fund / Corporate Body' login for the Scrutinizer to verify the same.

- During the voting period, shareholders can login any number of time till they have voted on the resolution(s) for a particular "Event".
- Shareholders holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.
- In case the shareholders have any queries or issues regarding e-voting, please refer the Frequently Asked Questions ("FAQs") and Instavote e-Voting manual available at <https://instavote.linkintime.co.in>, under Help section or write an email to enotices@linkintime.co.in or Call us :- Tel : 022 - 49186000.
- The Board of Directors have appointed Mr. Dilipkumar M. Bhimsen, Designated Partner failing which Mr. Sachin Sharma Designated Partner of M/s. S. Anantha & Ved LLP, Practicing Company Secretaries, Mumbai as the Scrutinizers of the Company for the purpose of scrutinizing E-voting process as well as the voting by way of poll, to be conducted at the 24th AGM, in a fair and transparent manner.

The result declared along with the Scrutinizer's report shall be placed on the website of the Company www.cybertech.com and shall simultaneously be communicated to the Stock Exchanges.

Explanatory statement pursuant to the provisions of Section 102 of Companies Act, 2013

Item No. 4

The Members of the Company at the Twenty Second (22nd) Annual General Meeting held on September 28, 2017, approved the holding of office or place of profit by Mr. Steven Jeske, in CyberTech Systems and Software Inc. U.S.A., the wholly owned subsidiary of the Company, as a Director for a period of three years at a remuneration not exceeding US\$ 250,000 per annum.

Taking into consideration the growth potential of the subsidiary and the contributions made by Mr. Steven Jeske, as Director, his longer association with the Company is much needed. In order to retain his services and in view of the highly Competitive employment market, your Directors have approved the continuation of his employment as a Director with CyberTech Systems and Software Inc. U.S.A., with an increment in remuneration from US\$ 250,000 to US\$ 300,000 per annum payable on a monthly/ annual basis, effective from October 01, 2019.

Mr. Steven Jeske is on the Board of Directors of the Company, hence the continuation of his appointment in the wholly owned Subsidiary as Director, will fall under the provisions of Section 2(76), 188 of the Companies Act, 2013 and the Rules made thereunder and it will be deemed to be holding an office or place of profit by the Director within the meaning of Section 188 of the Act by a Related Party, and accordingly the approval of the members by an Ordinary Resolution is being sought in terms of the requirements of the Act and the Rules made thereunder.

The continuation of his appointment at a remuneration not exceeding US\$ 300,000, per annum with effect from October 01, 2019 has been duly recommended by the Audit Committee and Nomination and Remuneration Committee and approval of the Board of Directors at their meeting held on August 12, 2019, subject to the approval of the members of the Company, considering The particulars of the transaction pursuant to para 3 of Explanation (1) to Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014 are as under:

Name of the Related Party:	Mr. Steven Jeske
Name of the Director or Key Managerial personnel who is related:	Nil
Nature of relationship:	N.A
Remuneration:	Not exceeding US\$ 300,000 per annum

Nature, material terms and particulars of the arrangement	Payment of remuneration to Mr. Steven Jeske for services to be rendered in his capacity as a Director in the Company's subsidiary company 'CyberTech Systems and Software Inc. U.S.A.' for a period of Three Years with effect from 01st October, 2019
Duration of the contract:	Three (3) years

Details required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 (SS-2) with respect to the Director is provided in **Point No. 30 (b)** of notes.

A copy of each of the documents referred to in the accompanying Explanatory Statement is open for inspection at the Registered Office of the Company on all working days except Saturday and Sunday, between 11.00 a.m. and 1.00 p.m. upto the date of AGM.

None of the Directors/ Key Managerial Personnel / their relatives of the Company except Mr. Steven Jeske and his relatives are in any way, concerned or interested, financially or otherwise, in the said Resolution set out at Item No. 4 of the Notice except to the extent of shareholding in the Company, if any.

Mr. Steven Jeske, being an Interested Director, will not participate in passing of the resolution which is proposed as an Ordinary Resolution.

Item No. 5

The Members of the Company at the Twenty Second (22nd) Annual General Meeting held on September 28, 2017, approved for holding the office or place of profit by Mr. Vish Tadimety, in CyberTech Systems and Software Inc. U.S.A., the wholly owned subsidiary of the Company, for a period of three years at a remuneration not exceeding US\$ 300,000 per annum.

Taking into consideration considering the growth potential of the subsidiary and the contributions made by Mr. Vish Tadimety, as the Director his contributions as the Chairman of the Company is much needed. In order to retain his services and to compensate him in commensurate with the market, your Directors have approved the continuation of his employment with CyberTech Systems and Software Inc. U.S.A., as the Director with an increment in remuneration from US\$ 300,000 per annum to US\$ 400,000 per annum payable on a monthly/ annual basis, effective from October 01, 2019.

Mr. Vish Tadimety is the Promoter and Director of the Company, hence the continuation of his appointment in the wholly owned Subsidiary will be deemed to be holding an office or place of profit by a Related Party within the meaning of Section 188 of the Companies Act, 2013, read with Section 2(76) and the Rules made thereunder, and accordingly the approval of the members by an Ordinary Resolution is being sought in terms of the requirements under the Act and the Rules made thereunder.

The continuation of his appointment at a remuneration not exceeding US\$ 400,000, per annum is duly recommended by the Audit Committee and Nomination and Remuneration Committee at their meeting held on August 12, 2019, subject to the approval of the members of the Company,

The particulars of the transaction pursuant to para 3 of Explanation (1) to Rule 15 of Companies (Meeting of Board and its Powers) Rules, 2014 are as under:

Name of the Related Party:	Mr. Vish Tadimety
Name of the Director or Key Managerial personnel who is related:	Ms. Amogha Tadimety
Nature of relationship:	Ms. Amogha Tadimety is daughter of Mr. Vish Tadimety
Remuneration:	Not exceeding US\$ 400,000 per annum
Nature, material terms and particulars of the arrangement	Payment of remuneration to Mr. Vish Tadimety for services to be rendered in his capacity as a Director in the Company's subsidiary company 'CyberTech Systems and Software Inc. U.S.A.' for a period of Three Years with effect from 01st October, 2019.
Duration of the contract:	Three (3) years

Details required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 (SS-2) with respect to the Director is provided in **Point No. 30 (b)** of notes.

A copy of each of the documents referred to in the accompanying Explanatory Statement is open for inspection at the Registered Office of the Company on all working days except Saturday and Sunday, between 11.00 a.m. and 1.00 p.m. upto date of AGM.

None of the Directors/ Key Managerial Personnel of the Company except Mr. Vish Tadimety, Ms. Amogha Tadimety (Daughter) and his relatives are in any way, concerned or interested, financially or otherwise, in the said Resolution set out at Item No.5 of the Notice except to the extent of shareholding, if any, in the Company.

Mr. Vish Tadimety, Chairman and his relatives, being interested will not participate in passing of the resolution which is proposed as an Ordinary Resolution.



Item No. 6

The Members at the Nineteenth Annual General Meeting of the Company held on September 30, 2014, appointed Mr. Sudhir Joshi, as an Independent and Non-Executive Director, for a period of Five years w.e.f. September 30, 2014 to September 29, 2019. Taking into consideration his knowledge, experience, expertise, guidance and contribution towards the growth of the Company, his longer association with the Company is much needed.

Accordingly, the Board of Directors on the recommendation of the Nomination and Remuneration Committee, have approved the re-appointment of Mr. Sudhir Joshi (DIN: 00349597), as a Non-Executive and Independent Director of the Company pursuant to Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and other applicable Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, read with Schedule IV to the Act for a further period of Five years with effect from September 30, 2019 to September 29, 2024, subject to the approval of members at the ensuing annual general meeting. He is not liable to retire by rotation.

Further, considering the requirements of Regulation 17(1A) of the SEBI (LODR), approval of the members is also sought, as proposed in the Special Resolution, towards the continuation of Directorship of Mr. Sudhir Joshi, as an Independent and Non-Executive Director, on his attaining the age of 75 Years during the tenure of this re-appointment.

Mr. Sudhir Joshi has submitted a declaration to the Company to the effect that he meets the criteria of independence as provided under Section 149(6) of the Act. In the opinion of the Board, he fulfils the conditions specified in the Act and the Rules framed there under for re-appointment as Director (Non-Executive and Independent). He has also submitted, a declaration in prescribed Form DIR-8 to the effect that he is not disqualified from being re-appointed as Director in terms of Section 164 of the Act, consent to act as Director in prescribed Form DIR-2 and disclosure of interest in prescribed Form MBP-1.

Copy of the terms and conditions of the aforesaid Director would be available for inspection by the shareholders at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on all working days except Saturday & Sunday from the date hereof up to the date of the AGM.

The brief profile of Mr. Sudhir Joshi as per the requirements of the Companies Act, 2013, and the SEBI (LODR), Regulations, 2015 and the rules made thereunder and the Secretarial Standards (SS-2) are given in **Note No. 30(a)** which forms part of the Notice.

Except Mr. Sudhir Joshi, none of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the said resolution except to the extent of the shareholding in the Company, if any.

The Board of Directors of your Company recommends the resolution as set out under Item No. 6, for the approval of the shareholders of the Company, to be passed as a Special Resolution.

Item No. 7

The Members at the Nineteenth Annual General Meeting held on September 30, 2014, appointed Dr. N. L. Sarda, as an Independent and Non-Executive Director of the Company, for a period of Five years w.e.f. September 30, 2014 to September 29, 2019. Taking into consideration his knowledge, experience, expertise, guidance and contribution towards the growth of the Company, his longer association with the Company is much needed.

Accordingly, the Board of Directors on the recommendation of the Nomination and Remuneration Committee, have approved the re-appointment of Dr. N.L. Sarda (DIN 00147782), as a Non-Executive and Independent Director of the Company pursuant to Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and other applicable Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, read with Schedule IV to the Act for a further period of Five years with effect from September 30, 2019 to September 29, 2024, subject to the approval of members at the ensuing annual general meeting. He is not liable to retire by rotation.

Further, considering the requirements of Regulation 17(1A) of the SEBI (LODR), approval of the members is also sought, as proposed in the Special Resolution, towards the continuation of Directorship of Dr. N. L. Sarda, as an Independent and Non-Executive Director, on his attaining the age of 75 Years during the tenure of this re-appointment.

Dr. Sarda has submitted a declaration to the Company to the effect that he meets the criteria of independence as provided under Section 149(6) of the Act. In the opinion of the Board, he fulfils the conditions specified in the Act and the Rules framed there under for re-appointment as Director (Non-Executive and Independent). He has also submitted, a declaration in prescribed Form DIR-8 to the effect that he is not disqualified from being re-appointed as Director in terms of Section 164 of the Act, consent to act as Director in prescribed Form DIR-2 and disclosure of interest in prescribed Form MBP-1.

Copy of the terms and conditions of the aforesaid Director would be available for inspection by the shareholders at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on all working days except Saturday & Sunday from the date hereof up to the date of the AGM.

The brief profile of Dr. N.L. Sarda as per the requirements of the Companies Act, 2013, and the SEBI (LODR), Regulations, 2015 and the rules made thereunder and the Secretarial Standards (SS-2) are given in **Note No. 30 (a)** which forms part of the Notice.

Except Dr. N.L. Sarda, none of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the said resolution except to the extent of the shareholding in the Company, if any.

The Board of Directors of your Company recommends the resolution as set out under Item No. 7, for the approval of the shareholders of the Company, to be passed as a Special Resolution.

Item No. 8

The Members at the Nineteenth Annual General Meeting held on September 30, 2014, appointed Dr. Shreepad Karmalkar, in CyberTech Systems and Software Ltd. as an Independent and Non-Executive Director, for a period of Five years w.e.f. September 30, 2014 to September 29, 2019. Taking into consideration his knowledge, experience, expertise, guidance and contribution towards the growth of the Company, his longer association with the Company is much needed.

Accordingly, the Board of Directors on the recommendation of the Nomination and Remuneration Committee, have approved the re-appointment of Dr. Shreepad Karmalkar (DIN 03273896), as a Non-Executive and Independent Director of the Company pursuant to Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and other applicable Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, read with Schedule IV to the Act for a further period of Five years with effect from September 30, 2019 to September 29, 2024, subject to the approval of members at the ensuing annual general meeting. He is not liable to retire by rotation.

Dr. S. Karmalkar has submitted a declaration to the Company to the effect that he meets the criteria of independence as provided under Section 149(6) of the Act. In the opinion of the Board, he fulfils the conditions specified in the Act and the Rules framed there under for re-appointment as Director (Non-Executive and Independent). He has also submitted, a declaration in prescribed Form DIR-8 to the effect that he is not disqualified from being re-appointed as Director in terms of Section 164 of the Act, consent to act as Director in prescribed Form DIR-2 and disclosure of interest in prescribed Form MBP-1.

Copy of the terms and conditions of the aforesaid Director would be available for inspection by the shareholders at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on all working days except Saturday & Sunday from the date hereof up to the date of the AGM.

The brief profile of Dr. S. Karmalkar as per the requirements of the Companies Act, 2013, and the SEBI (LODR), Regulations, 2015 and the rules made thereunder and the Secretarial Standards (SS-2) are given in **Note No. 30 (a)** which forms part of the Notice.

Except Dr. S. Karmalkar, none of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the said resolution except to the extent of the shareholding in the Company, if any.

The Board of Directors of your Company recommends the resolution as set out under Item No. 8, for the approval of the shareholders of the Company, to be passed as a Special Resolution.

Item No. 9

The Members at the Twentieth Annual General Meeting held on September 30, 2015, appointed Mr. M. P. Bharucha, in CyberTech Systems and Software Ltd. as an Independent and Non-Executive Director upto September 30, 2019. Taking into consideration his knowledge, experience, expertise, guidance and contribution towards the growth of the Company, his longer association with the Company is much needed.

Accordingly, the Board of Directors on the recommendation of the Nomination and Remuneration Committee, have approved the re-appointment of Mr. M. P. Bharucha (DIN 00361911), as a Non-Executive and Independent Director of the Company pursuant to Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and other applicable Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, read with Schedule IV to the Act for a further period of Five years with effect from October 01, 2019 to September 30, 2024, subject to the approval of members at the ensuing annual general meeting. He is not liable to retire by rotation.

Further, considering the requirements of Regulation 17(1A) of the SEBI (LODR), approval of the members is also sought, as proposed in the Special Resolution, towards the continuation of Directorship of Mr. M. P. Bharucha, as an Independent and Non-Executive Director, on his attaining the age of 75 Years during the tenure of this re-appointment.

Mr. Bharucha has submitted a declaration to the Company to the effect that he meets the criteria of independence as provided under Section 149(6) of the Act. In the opinion of the Board, he fulfils the conditions specified in the Act and the Rules framed there under for re-appointment as Director (Non-Executive and Independent). He has also submitted, a declaration in prescribed Form DIR-8 to the effect that he is not disqualified from being re-appointed as Director in terms of Section 164 of the Act, consent to act as Director in prescribed Form DIR-2 and disclosure of interest in prescribed Form MBP-1.



CyberTech

Systems and Software Limited

Copy of the terms and conditions of the aforesaid Director would be available for inspection by the shareholders at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on all working days except Saturday & Sunday from the date hereof up to the date of the AGM.

The brief profile of Mr. Bharucha as per the requirements of the Companies Act, 2013, and the SEBI (LODR), Regulations, 2015 and the rules made thereunder and the Secretarial Standards (SS-2) are given in **Note No. 30 (a)** which forms part of the Notice.

Except Mr. Bharucha, none of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the said resolution except to the extent of the shareholding in the Company, if any.

The Board of Directors of your Company recommends the resolution as set out under Item No. 9, for the approval of the shareholders of the Company, to be passed as a Special Resolution.

Item No.10

In accordance with the provisions of Section 197 of the Companies Act, 2013 and Regulation 17(6)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, payment of remuneration to Independent Directors of the Company by way of commission, is permitted, if the Company authorizes such payment by obtaining the approval of the shareholders of the Company.

Taking into consideration the significant professional expertise and contributions made by Independent Directors towards the performance and growth of the Company, it is proposed to pay the Commission in aggregate not exceeding one percent per annum, to the Independent Directors of the Company in such amounts or proportions and in such manner as may be directed by the Board of Directors and such payments shall be made out of the profits of the Company for each year calculated in accordance with Section 197, 198 and the applicable provisions, if any, the Companies Act, 2013, for a period of five years, commencing from Financial Year 2019-20 to Financial Year 2023-24.

None of the Directors, Key Managerial Personnel or their respective relatives, except all of the Independent Directors of the Company viz. Mr. Sudhir Joshi, Dr. N.L. Sarada, Dr. Shreepad Karmalkar, Mr. M. P. Bharucha and Ms. Angela C. Wilcox are deemed to be concerned or interested, financially or otherwise in the said Resolution to be passed as a Special Resolution.

By Order of the Board of Directors

sd/-

Sarita Leelaramani
Company Secretary and Compliance Officer
Membership No. A35587

Place: Thane

Date: August 12, 2019

Registered Office:

CyberTech House, Plot No. B-63/64/65

Road No. 21/34, J.B. Sawant Marg, MIDC

Wagle Estate, Thane (W) – 400 604

CIN: L72100MH1995PLC084788

Tel.: 91 22 25834643/44/45 Fax: 91 22 25832574

Website: www.cybertech.com

E-mail: cssl.investors@cybertech.com

BOARD'S REPORT

Dear Members,

Your Directors have pleasure in presenting the 24th Annual Report on the business and operations of your Company together with the Audited Financial Statements and the Auditors' Report for the Financial Year ended March 31, 2019.

FINANCIAL RESULTS:

The Financial Performance of your Company for the year ended March 31, 2019 is summarized below -

(₹ in Millions)

Particulars	Standalone		Consolidated	
	2018-19	2017-18	2018-19	2017-18
Gross Revenue	601.41	592.08	1031.09	952.05
Profit before Interest & Depreciation	133.08	92.03	198.72	113.96
Finance costs	10.91	18.70	10.91	18.70
Depreciation	47.21	45.93	65.69	55.77
Profit before tax	74.96	27.40	122.12	39.49
Tax Expense	23.00	16.00	23.00	16.00
Deferred Tax	(3.50)	(7.35)	(3.50)	(7.35)
Income Tax adjustments from earlier years	0.32	(0.85)	0.32	(0.85)
Profit after tax	55.14	19.60	102.30	31.69
Accumulated profit brought forward from previous year	391.00	404.39	268.95	270.25
Dividend (including dividend tax)	33.17	32.99	33.17	32.99
Balance to be carried forward	412.97	391.00	338.08	268.95

FINANCIAL PERFORMANCE OVERVIEW

CyberTech Consolidated Financial Performance:

- The Company registered total income of ₹ 1031.1 million for the year ended March 31, 2019 as compared to ₹ 952.1 million for the year ended March 31, 2018, reflecting a growth of 8.3%.
- Operating revenue for the year under review was ₹ 967.6 million as against ₹ 870.5 million in the previous year, reflecting an increase of 11.2%.
- The company earned a net profit of ₹ 102.3 million for the year ended March 31, 2019 as against profit of ₹ 31.7 million for the year ended March 31, 2018, an increase by 223%
- This growth can be attributed to growth in US business which constitutes 91% of our revenue and grew 19% over previous year.

CyberTech Standalone Financial Performance:

- The Company registered total revenue of ₹ 601.4 million for the year ended March 31, 2019 as in line with ₹ 592.1 million for the year ended March 31, 2018.
- Operating revenue for the year under review was ₹ 538.2 million in line with ₹ 510.7 million in the previous year, reflecting a growth of 5.4%.
- Other income for the year under review was ₹ 63.2 million as against ₹ 81.4 million in the previous year.
- The profit after tax for the year under review was ₹ 55.1 million as against ₹ 19.6 million in the previous year, reflecting an increase of 181%.

DIVIDEND AND RESERVES

Your Directors are pleased to recommend a dividend @10% (Re.1/- per Equity Share of ₹10/- each) for the Financial Year 2018-19, subject to the approval of shareholders at the ensuing Annual General Meeting. If approved, the total payout for the year under review will be amounting to ₹ 33.2 Millions, including dividend tax of ₹ 5.7 million.

No amount was transferred to General Reserves for the year under review.



CyberTech

Systems and Software Limited

CONSOLIDATED FINANCIAL STATEMENTS

Our Company has adopted and implemented Indian Accounting Standards ("Ind AS"), in accordance with Companies (Indian Accounting Standards) Rules, 2015 with effect from April 01, 2017 as prescribed by Ministry of Corporate Affairs, Government of India vide circular dated February 16, 2015.

The consolidated financial statements of the Company, including its wholly owned US subsidiaries are prepared in accordance with Ind AS 110 (Consolidation of Accounts) as prescribed by the Institute of Chartered Accountants of India and in compliance with the terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time. Together, these comprise part of the Annual Report and Accounts. The summarized consolidated results are given alongside the financial results of your Company.

WHOLLY OWNED SUBSIDIARIES IN USA

The Company owns 100% interest in CyberTech Systems and Software Inc., USA (CSSI), which was incorporated on June 12, 2003, the results of CSSI are consolidated herein.

During the year under review, Spatialitics LLC, USA ("Spatialitics"), was newly incorporated and organized under the laws of the State of Delaware, USA, as a wholly owned subsidiary of our Company. An Overseas Direct Investment (ODI) of USD 200,000 was made towards capital contribution on March 28, 2019 in Spatialitics. As on date the Company owns 100% interest in Spatialitics. Being a wholly owned subsidiary company, the results of Spatialitics are also consolidated therein.

The Statement in Form AOC-1 containing salient features of the financial statements of Company's Subsidiaries is attached as **Annexure I** to the Board's Report of the Company.

BUSINESS OPERATIONS OVERVIEW AND OUTLOOK

The State of Company's Affairs:

CyberTech continues deepening SAP® relationship as SAP S/4HANA® move is a great opportunity for CyberTech going forward. Also the joint workshop offering with SAP Database Migration Factory in India is gaining traction from several Indian enterprises.

CyberTech's product portfolio continues to be promoted through the Strategic channel partners - Cisco®, Microsoft®, esri® and SAP®. During the year, your Company was honoured as an Esri Cornerstone Partner at the esri® Partner Conference 2019 which validates the Company's commitment towards the GeoSpatial community.

CyberTech has recently launched the second technology support centre for esri's cutting-edge GIS products and technologies in Pune. The new location shall be focusing on expanding CyberTech's world-class capabilities in offering support for ArcGIS product suite to users globally. CyberTech is privileged to have esri® as an invested partner and look forward to not only continuing to provide high quality technical support services, but also deliver complex solutions based on large geographically enabled data sets. As a 20 year partner, CyberTech is committed to invest in bringing to the market latest esri's GIS solutions, Cloud based Enterprise Analytics along with Spatial SAAS Services.

Our US-based subsidiary, Spatialitics LLC, which was formed to focus on our spatial analytics based fabric and product portfolio, is growing in line with our strategy.

United States continued to be the major revenue contributor with a contribution of 91% towards operating revenue while 9% accounted for India.

BUSINESS OUTLOOK

Enterprises realized the value of the data; they have, like never before. Unfortunately, generating actionable insights out of the stored data is not easy as these are from disparate sources and hence, unstructured and in various non-compatible formats. CyberTech's transformation methodologies, tools and products help enterprises utilize their data to generate ready-to-act insights and unleash significant business benefits. Moreover, CyberTech's proprietary methodologies ensure that the transformation process has zero or minimum risk, offering substantial cost benefit for the customers.

CyberTech is seeing good growth momentum guided by the clear articulation of strategy, the strong support of our Board, and the continual commitment of the management team to make this a reality.

We stay committed to help our customers in achieving better performance in their respective industries and to deliver enhanced value to all our key shareholders.

SHARE CAPITAL

During the year under review, the Company has:

Issued and allotted 101,000 Equity Shares under Employee Stock Option Scheme (ESOP) to the employees of the Company and its subsidiary company. As a result of the above allotment, the paid-up Share capital of the Company increased from ₹ 274,145,930/- comprising of 27,414,593 Equity Shares of ₹ 10/- each as on March 31, 2018 to ₹ 275,155,930/- comprising of 27,515,593 Equity Shares of ₹ 10/- each as on March 31, 2019. The said allotment resulted in increase of Securities Premium account of the Company by ₹ 7.79 lakhs.

DEPOSITS:

During the year under review, no deposits were accepted by the Company within the meaning of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

All transactions entered into with the Related Parties in terms of Section 2(76) and Section 188 of the Companies Act, 2013, Rules issued thereunder read with Regulation 2(zc) and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the Financial Year were in the nature exempted being transactions between the Company and its 100% Subsidiaries or in accordance with the approval obtained from the Members of the Company, as the case may be. During the Financial Year 2018-19, the Company did not enter into materially significant transactions with Promoters, Key Managerial Personnel or other related parties. The details of the related party transactions as required under Ind AS-24 are set out in Note No. 32 to the consolidated financial statements forming part of this Annual Report and disclosed vide form AOC-2 has been appended as **Annexure II**, pursuant to Section 134(3)(h) of the Companies Act, 2013 and rules made thereunder.

The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website www.cybertech.com and can be accessed at http://www.cybertech.com/investors/corporate_policies.aspx

PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEE GIVEN AND SECURITIES PROVIDED UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The Company has not granted any loan, guarantee and investment to any person, other than its employees and wholly owned subsidiaries. The details of which are given in the Notes to Financial Statements.

RISK MANAGEMENT

Your Company recognizes that risk is an integral part of any business and is committed to manage the risk in a proactive and efficient manner. Your Company has Risk Management Policy in place. The Policy provides for a risk management framework to identify and assess all kinds of risks, such as operational, strategic, resources, security, industry, regulatory & compliance and other risks, and put in place an adequate risk management infrastructure capable of addressing these risks. The Board periodically reviews the risks, if any, and ensures to take steps for their mitigation.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 are given in **Annexure III** forming part of this Report.

MANAGERIAL REMUNERATION

In accordance with Section 178 and other applicable provisions of the Companies Act, 2013 read with the Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014, the Company has in place the Nomination and Remuneration Policy. Pursuant to recent amendments in SEBI (LODR) Regulations, 2015 the Nomination and Remuneration Policy was amended by your Board of Directors in their meeting held on February 04, 2019. The amended policy is available at the Company's website: <https://www.cybertech.com/investors/overview.aspx>

The salient aspects covered in the Nomination and Remuneration Policy with respect to the appointment and remuneration of Directors, Key Managerial Personnel, Senior Management and other matters have been outlined in the Corporate Governance Report, forming part of Annual Report. The information required under Section 197 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of Directors and Key Managerial Personnels of your Company is set out in **MGT-9 Point No. X in Annexure V**.

DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

Your Company is committed to creating and maintaining a secure work environment where its employees, agents, vendors and partners can work and pursue business together in an atmosphere free of harassment, exploitation and intimidation. To empower women and protect women against sexual harassment, a policy for prevention of sexual harassment has been rolled out and an Internal Committee (ICC) as per legal guidelines has been set up. All employees (permanent, contractual, temporary, trainees) are covered under this policy. This policy allows employees to report sexual harassment, if any, at the workplace and the Company conducts regular awareness programs in this regard. The Internal Committee is empowered to look into all complaints of sexual harassment and facilitate free and fair enquiry process with clear timelines.

During the year 2018-19, no complaints were received regarding Sexual harassment at work place.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the financial year under review, as stipulated under Regulation 34 of SEBI (LODR) Regulations, 2015 is presented in a separate section forming part of the Annual Report.

CORPORATE GOVERNANCE

In terms of Regulation 34 of the SEBI (LODR) Regulations, 2015, a separate report on Corporate Governance is provided together with a Certificate from the Secretarial Auditors of the Company regarding compliance of conditions of Corporate Governance. A Certificate of the CFO of the Company in terms of SEBI (LODR) Regulations, 2015, inter alia, confirming the correctness of the financial statements and cash flow statements, adequacy of the internal control measures and reporting of matters to the Audit Committee, is also annexed.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. Sudhir Joshi, Mr. M.P. Bharucha, Dr. N. L. Sarda, Dr. Shreepad Karmalkar and Ms. Angela C. Wilcox, the Independent Directors have submitted a declaration that each of them meets with the criteria of independence as provided in Section 149(6) of the Act and there has been no change in the circumstances which may affect their status to continue as an independent director on the Board of Directors of the Company.

The Board of Directors pursuant to the provisions of sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Rules framed there under, read with Schedule IV to the Act, as amended from time to time, recommends re-appointment of Mr. Sudhir Joshi, Dr. N. L. Sarda and Dr. Shreepad Karmalkar, Independent Directors of the Company for further period of five years commencing from September 30, 2019 to September 29, 2024, and Mr. M.P. Bharucha from October 01, 2019 to September 30, 2024 subject to approval of the Members at the ensuing Annual General Meeting of the Company.

Mr. Sudhir Joshi, Independent Director of the Company is appointed on the Board of CyberTech Systems & Software Inc., USA, and Spatialitics LLC, USA, wholly-owned subsidiaries of the Company with effect from April 01, 2019, pursuant to amended regulation 24 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Mr. Willem P. Elfrink (DIN: 07741650), Non-Executive and Non-Independent Director of the Company resigned from the Board with effect from November 14, 2018, owing to his professional commitments.

Presently, Mr. Ramasubramanian Sankaran, Executive Director, Mr. Praveen Agarwal – Chief Financial Officer and Ms. Sarita Leelaramani, Company Secretary & Compliance Officer, are the Key Managerial Personnel of your Company in accordance with the provisions of sections 2(51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

A brief extract on the Company's policy on Directors' appointment and remuneration and other matters as provided in Section 178(3) of the Act has been disclosed in the Corporate Governance Report, which is forming part of this Annual report.

NUMBER OF MEETINGS OF THE BOARD

During the year under review, four (04) Board Meetings were held viz. May 09, 2018; August 13, 2018; November 14, 2018; and February 04; 2019. The details of the meetings of the Board and its committees are set out in the Corporate Governance Report which forms part of this Report. In terms of requirements of Schedule IV of the Companies Act, 2013, a separate meeting of Independent Directors was also held on March 13, 2019 to review the performance of Non-independent Directors (including the Chairman), the entire Board and quality, quantity and timelines of the flow of information between the Management and the Board.

PERFORMANCE EVALUATION OF DIRECTORS

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, the Board of Directors have carried out the annual performance evaluation of its Directors individually as well as the evaluation of the working of its Committees. The performance evaluation criteria for Independent Directors are determined by an indicative list of factors on which evaluation was carried out and it includes, participation and contribution by a director, commitment, effective deployment of knowledge and expertise, integrity and maintenance of confidentiality and independence of behavior and judgment. The performance evaluation of the Directors, the Board and its Committees was accordingly carried out based on the criteria laid down under the SEBI Circular dated January 5, 2017 (detailed in the Corporate Governance Report).

In compliance with the requirements under Regulation 25(3) of SEBI (LODR) Regulations, 2015, the performance evaluation of the Independent Directors was carried out by the entire Board. The Independent Directors in their separate meeting held on March 13, 2019, reviewed the performance of the Chairman, Executive Director and other Non-Executive Directors on the Board of the Company. They also assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

In the board meeting that followed the meeting of the independent directors, the Performance evaluation by the Independent directors was noted by the Board.

AUDIT COMMITTEE

The Audit Committee of the Board of Directors of the Company is duly constituted in accordance with the provisions of Sections 177 (8) of the Companies Act, 2013, read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 and Regulation 18 of SEBI (LODR) Regulations, 2015 which consists of the following Members:

S. No.	Name	Designation
1	Mr. Sudhir Joshi	Chairman, Independent Director
2	Dr. Shreepad Karmalkar	Member, Independent Director
3	Dr. N.L. Sarda	Member, Independent Director

All the recommendations of the Audit Committee during the year were accepted by the Board of Directors of the Company. For further details, please refer the Corporate Governance Report forming part of the Annual Report

VIGIL MECHANISM

The Company has adopted the Vigil Mechanism Policy and has established the necessary vigil mechanism for directors and employees to report concerns about unethical behavior. No person has been denied access to the Chairman of the Audit Committee. Pursuant to periodical review by the Board of Directors the Policy was amended on February 04, 2019 and the same has been uploaded on the website of the Company http://www.cybertech.com/investors/corporate_policies.aspx

DIRECTORS' RESPONSIBILITY STATEMENT AS REQUIRED UNDER SECTION 134 (3)(C) AND SECTION 134 (5) OF THE COMPANIES ACT, 2013

In terms of Section 134(3) (c) of the Companies Act, 2013, to the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors state and confirm that:

- i) in the preparation of the annual financial statements for the year ended March 31, 2019, the applicable accounting standards read with the requirements set out under Schedule III to the Act, have been followed along with proper explanation relating to material departures, if any;
- ii) such accounting policies as mentioned in the notes to the Financial Statements for the year ended March 31, 2019 have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2019 and of the Profit of the Company for the year ended on that date;
- iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) the annual financial statements for the year ended March 31, 2019 have been prepared on a going concern basis;
- v) proper internal financial controls are followed by the Company and that such financial controls are adequate and are operating effectively; and
- vi) proper systems to ensure compliance with the provisions of all applicable laws are in place and such systems are adequate and operating effectively.

STATUTORY AUDITORS

M/s. Bagaria & Co. LLP, Chartered Accountants, (Firm Registration No.: 113447W) have been appointed as Statutory Auditors of the Company for a period of 5 (Five) years, from the conclusion of 22nd Annual General Meeting till the conclusion of 27th Annual General Meeting by the shareholders of the Company.

The Statutory Auditors have confirmed their eligibility and necessary certificates as required under the Act have been received from them.

Pursuant to notification of the Companies (Amendment) Act, 2017, on May 7, 2018, the requirement of ratification of auditors by the members is no longer required.

AUDITOR'S REPORT

During the Financial Year under review there are no qualifications, reservations or adverse remarks or disclaimers made by the Statutory Auditors on the financial statements of the Company.

The Statutory Auditors of the Company have not reported any fraud as specified under the second proviso of Section 143(12) of the Companies Act, 2013 (including any statutory modification(s) or re-enactment for the time being in force).

INTERNAL AUDITORS

Pursuant to the provisions of Section 138 of the Companies Act, 2013 read with Rule 13 of Companies (Accounts) Rules, 2014, the Board of Directors had appointed M/s. Desai Associates, Chartered Accountants, (Firm Registration No. 102286W) as Internal Auditors of the Company for F.Y. 2018-19 and their reports were reviewed by the Audit Committee and the Board on periodical basis.

SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors had appointed M/s. S. Anantha & Ved LLP, Company Secretaries, Mumbai as Secretarial Auditors, to conduct the Secretarial Audit of the Company for F.Y. 2018-19. The Secretarial Audit Report is annexed herewith as **Annexure IV** to this Report.

The Secretarial Audit Report does not contain any qualification, reservation, disclaimer or adverse remark.

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

Pursuant to the requirement of Regulation 25 (7) of the SEBI (LODR) Regulations, 2015, the Company has arranged Familiarization Programme for Independent Directors to familiarize them with their role, rights and responsibility as Directors, the working of the Company, nature of the industry in which the Company operates, business model etc. The details are mentioned in the Report on Corporate Governance, which forms part of this annual report.



EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form MGT- 9 in accordance with Section 92(3) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, is annexed as **Annexure V**

CORPORATE SOCIAL RESPONSIBILITY

The Company continues to believe in operating and conducting its business in a socially responsible way. This belief forms the core of the CSR policy of the Company to focus on holistic development of its host community and immediate social and environmental surroundings qualitatively. Hence, in accordance with the requirements of Section 135 of the Companies Act, 2013, your Company has constituted a Corporate Social Responsibility Committee ("CSR Committee"). The composition and terms of reference of the CSR Committee are provided in Corporate Governance Report. The Company has framed its CSR policy, which is available at https://www.cybertech.com/investors_corporate_policies.aspx Annual Report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 has been appended as **Annexure VI** to this report. During the year under review, the Company has spent ₹ 14.10 Lacs towards Corporate Social Responsibility.

INTERNAL FINANCIAL CONTROLS WITH RESPECT TO THE FINANCIAL STATEMENTS

The Company maintains adequate internal control system and procedures commensurate with its size and nature of operations. The internal control systems are designed to provide a reasonable assurance over reliability in financial reporting, ensure appropriate authorization of transactions, safeguarding the assets of the Company and prevent misuse/ losses and legal compliances. The comprehensive Internal Financial Control policy along with the effective Internal Audit System helps the Company in achieving orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information.

The Internal control system includes a well defined delegation of authority and a comprehensive Management Information System coupled with quarterly reviews of operational and financial performance, a well structured budgeting process with regular monitoring of expenses and Internal audit.

The Internal Audit reports are periodically reviewed by the management and the Audit Committee, and necessary improvements are undertaken, if required.

For the year under review, the Board of Directors is of the opinion that, the Company has sound internal financial controls that commensurate with the nature and size of the business operations of the Company.

PARTICULARS OF EMPLOYEES

Disclosures relating to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are also provided in **Annexure VII** of the Report.

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules are provided in the Report and forms part of this Report. However, having regard to the provisions of the first proviso to Section 136(1) of the Act and as advised, the Annual Report excluding the aforesaid information is being sent to the members of the Company as the said information is available for inspection at the registered office of the Company during working hours and any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request.

SIGNIFICANT OR MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS WHICH IMPACT THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There are no Significant or material orders passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations for the Financial Year 2018-19.

SECRETARIAL STANDARDS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA (ICSI)

The Company complies with the Secretarial Standards issued by ICSI as mandated by the Ministry of Corporate Affairs, Govt. of India.

EMPLOYEES STOCK OPTION PLAN (ESOP)

During F.Y. 2018-19, there has been no change in the Employee Stock Option Plan of the Company. The ESOP Scheme is in compliance with the SEBI (Share Based Employee Benefits) Regulations, 2014 ('the SBEB Regulations') Disclosures pertaining to the ESOP Scheme pursuant to the SBEB Regulations are provided as **Annexure VIII**.

GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items, as there were no transactions on these items during the year under review, or the said items are not applicable to the Company:

1. Cost Audit;
2. Issue of equity shares with differential rights as to dividend, voting or otherwise; and
3. There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year 2018-19.

ANNEXURES FORMING PART OF BOARD'S REPORT

The Annexures referred to in this Report and other information which are required to be disclosed are annexed herewith and form part of this Report:

Annexure	Particulars
I	Form AOC-1, Particulars of Subsidiary
II	Form AOC-2, Disclosure of particulars of contracts/arrangements entered into by the company with related parties
III	Information with respect of energy conservation, technology absorption, foreign exchange earnings and outgo
IV	Form MR-3, Secretarial Audit Report
V	MGT – 9, Extract of the Annual Return
VI	Report on Corporate Social Responsibility
VII	Particulars of employees, Disclosure pursuant to Section 197(12) of Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014
VIII	ESOP Disclosure

CAUTIONARY STATEMENT

Statements in the Boards' Report and the Management Discussion & Analysis Report, describing the Company's objectives, expectations or forecasts may be forward-looking, within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include global and domestic demand and supply conditions of Information Technology related services, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation and sincere gratitude to the various departments of the Central and State Government(s), 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
CyberTech Systems and Software Ltd.**

Sd/-

Vish Tadimety
Chairman
DIN: 00008106

Place : Trevoze, PA, USA

Date : August 12, 2019



FORM AOC-1

Statement pursuant to first proviso to sub-section (3) of section 129 of the Companies Act, 2013, read with Rule 5 of the Companies (Accounts) Rules 2014 in the prescribed Form AOC-1 relating to subsidiary Company

Name of the Subsidiary	CyberTech Systems and Software Inc. USA	Spatialitics LLC, USA
Reporting period of subsidiary	April 01, 2018 to March 31, 2019	April 01, 2018 to March 31, 2019
Reporting Currency	USD	USD
Exchange Rate	69.15	69.15
	(Amount in `₹`)	(Amount in `₹`)
Share Capital	104,821,028	13,830,000
Reserves and Surplus	5,008,950	(17,590,259)
Total Assets	423,911,749	22,610,736
Total Liabilities	423,911,749	22,610,736
Investments	-	-
Turnover	887,731,441	Nil
Profit before Tax	65,541,125	(17,782,316)
Provision for Taxation	-	-
Profit after taxation	65,541,125	(17,782,316)
% of shareholding	100%	100%
Country	United States of America	United States of America

For Bagaria & Co. LLP
Chartered Accountants
Firm Registration Number - 113447W

For CyberTech Systems and Software Ltd.

Sd/-
Vinay Somani
Partner
M. No. 143503

Sd/-
Sudhir Joshi
Director
DIN: 00349597

Sd/-
Ramasubramanian Sankaran
Executive Director
DIN: 05350841

Sd/-
Praveen Agarwal
Chief Financial Officer

Sd/-
Sarita Leelaramani
Company Secretary
Membership No. A35587

Place : Mumbai
Date : May 09, 2019

ANNEXURE-II

FORM AOC-2
(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2)
of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis: **Not Applicable**
2. Details of contracts or arrangements or transactions at Arm's length basis:

(₹ In Lakhs)

Sr. No.	Particulars	Details			
a)	Name (s) of the related party & nature of relationship	CyberTech Systems and Software Inc. USA, (Wholly owned subsidiary)	Spatialitics LLC, USA (Wholly owned subsidiary)	Mr. Vish Tadimety – Chairman & Non-Executive Director	Mr. Steven Jeske – Non-Executive Director
b)	Nature of contracts/arrangements/ transaction	Sale of services	Overseas Direct Investment	Remuneration	Remuneration
c)	Duration of the contracts/ arrangements/ transaction	Ongoing	N.A.	Ongoing	Ongoing
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	4580.64	138.68	199.23	160.78
e)	Date of approval by the Board	May 09, 2019	February 04, 2019	August 23, 2017*	August 23, 2017*
f)	Amount paid as advances, if any	-	-	-	-

*Shareholders' approval was obtained in 22nd Annual General Meeting held on September 28, 2017.

For CyberTech Systems and Software Ltd.

Sd/-

Vish Tadimety
Chairman
DIN: 00008106

Place : Trevoze, PA, USA
Date : August 12, 2019



INFORMATION IN RESPECT OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 and forming part of the Directors Report for the Year ended March 31, 2019:

A) CONSERVATION OF ENERGY:

Your company consumes electricity only for the operation of its computer and administration of its offices. Though the consumption of electricity is negligible as compared to the total turnover of the company, your company always endeavors to take effective steps to reduce the consumption of electricity

a)	The steps taken or impact on conservation of energy	N.A.
b)	The steps taken by the company for utilizing alternate sources of energy	N.A.
c)	The capital investment on energy conservation equipment's	N.A.
d)	Expenditure on R&D	N.A.

B) TECHNOLOGY ABSORPTION:

a)	Efforts made towards technology absorption	N.A.
b)	Benefits derived like product improvement, cost reduction, product development or import substitution	N.A.
c)	Information regarding Imported Technology	N.A.
d)	Expenditure on Research and Development	Nil

C) FOREIGN EXCHANGE EARNINGS AND OUTGO

	As on March 31, 2019	As on March 31, 2018
Activities relating to exports initiative taken to increase exports, development of new exports, development of new export market for products, services and export plans: Statement of expenditure/earnings incurred in Foreign Currency:	As detailed in the Report	As detailed in the Report
Statement of expenditure/earnings incurred in Foreign Currency:		
Outgo	(₹ In Lakhs)	(₹ In Lakhs)
Dividend	137.49	92.75
Travel Expenses & other Expenses	9.91	14.75
Income		
Income from sale of Software Development services	4,675.16	3,931.41

For CyberTech Systems and Software Ltd.

Sd/-

Vish Tadimety
Chairman
DIN: 00008106

Place : Trevose, PA, USA
Date : August 12, 2019

**FORM MR-3
SECRETARIAL AUDIT REPORT**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019

**To
The Members
CyberTech Systems and Software Limited
CyberTech House B-63-64-65
MIDC Wagle Estate J.B. Sawant Marg
Thane – 400 604**

We have conducted the Secretarial Audit of the Compliance of Applicable Statutory provisions and the adherence to good corporate practices by CyberTech Systems and Software Limited (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the Corporate Conducts/Statutory Compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2019, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment; and
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, and The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (**Not Applicable** for the year under review);
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (**Not Applicable** for the year under review);
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (**Not Applicable** for the year under review); and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (**Not Applicable** for the year under review).
- (vi) Other laws applicable specifically to the Company:
 - a) The Trade Marks Act, 1999; and
 - b) The Information Technology Act, 2000

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India; and
- (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.



During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above
We further report that

Based on the information provided by the Company, its officers and authorized representatives during the conduct of the audit, and also on the review of compliance reports by the respective Department Heads / Company Secretary / CFO / KMP taken on record by the Board of Directors of the Company, in our opinion, adequate systems and processes and control mechanism exist in the Company to monitor and ensure compliance with applicable general laws like labour laws, competition law, environmental laws and all other applicable laws, rules, regulations and guidelines. The Company has responded to compliance requirements, notices for demands, claims, penalties etc. levied, by statutory/regulatory authorities and initiated actions for corrective measures and compliance thereof.

We further report that the compliance by the Company of applicable financial laws, like direct and indirect tax laws, and Labour Law Compliances has not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals.

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act

We further report that

Adequate notice is given to all directors to schedule the Board Meetings along with the agenda generally at least seven days in advance and detailed notes on agenda were sent well in advance before the meeting and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that during the audit period the following are the major events, carried out by the Company and complied with the necessary requirements

- a. Allotment of 5,000 Equity Shares at grant price of ₹11.34 each to eligible employee as per ESOP Scheme 2007 on May 09, 2018;
- b. Allotment of 21,000 Equity Shares at grant price of ₹ 36.10 each to eligible employee as per ESOP Scheme 2014 on May 09, 2018;
- c. Allotment of 5,000 Equity Shares at grant price of ₹ 36.10 each to eligible employee as per ESOP Scheme 2014 on August 13, 2018;
- d. Allotment of 70,000 Equity Shares at grant price of ₹ 11.34 each to eligible employee as per ESOP Scheme 2007 on August 13, 2018.

We further report that during the year under review, there were **no events** viz.

- i) Public / Right / Sweat Equity Shares;
- ii) Redemption / Buy-back of securities.
- iii) Major decisions taken by the members pursuant to Section 180 of the Companies Act, 2013;
- iv) Merger / amalgamation / reconstruction, etc; and
- v) Foreign technical collaborations; or such other specific events / actions in pursuance of the above referred laws, rules, regulations, guidelines, etc., having any bearing on the Company's affairs.

For **S. Anantha & Ved LLP**
Company Secretaries

Sd/-
Ved Prakash
Designated Partner
ACS: 36837
CP No.: 16986

Place: Mumbai

Date: May 09, 2019

Note: This report should be read with letter of even date by the Secretarial Auditors.

ANNEXURE TO FORM MR-3

To
The Members
CyberTech Systems and Software Limited
CyberTech House B-63-64-65
MIDC Wagle Estate J.B. Sawant Marg
Thane – 400 604

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For S. Anantha & Ved LLP
Company Secretaries

Sd/-
Ved Prakash
Designated Partner
Membership No. ACS: 36837
CP No.: 16986



FORM MGT-9

**EXTRACT OF ANNUAL RETURN
as on financial year ended on March 31, 2019**

**Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management and Administration) Rules, 2014.**

I. REGISTRATION & OTHER DETAILS:

i	CIN	L72100MH1995PLC084788
ii	Registration Date	January 19, 1995
iii	Name of the Company	CYBERTECH SYSTEMS AND SOFTWARE LIMITED
iv	Category/Sub-category of the Company	Indian Company limited by Shares/Non-Government Company
v	Address of the Registered office & contact details	CyberTech House, Plot No. B-63/64/65, Road No. 21/34, J.B. Sawant Marg, MIDC, Wagle Estate, Thane -(W) 400 604. C- 022 25834643/44/45 F- 022 25832574 Email: cssl.investors@cybertech.com
vi	Whether listed company	Yes
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Private Ltd. Address: C 101, 247 Park, L.B.S Marg, Vikhroli (West), Mumbai- 400083 C-022 49186000 F-022 49186060 E-mail: mumbai@linkintime.co.in Website: www.linkintime.co.in

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

Sr. No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Computer Programming and related activities	62013 and 62099	100%

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

Sr. No	Name & Address of the Company	CIN/GLN	HOLDING/SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	CYBERTECH SYSTEMS AND SOFTWARE INC, USA Address: 1301 West, 22nd Street, Suite 308, Oak Brook, Illinois, USA-60523	N.A.	Wholly Owned Subsidiary	100	Section 2(87)(ii)
2	SPATIALITICS LLC, USA Address: 1301 West, 22nd Street, Suite 308, Oak Brook, Illinois, USA-60523	N.A.	Wholly Owned Subsidiary	100	Section 2(87)(ii)

IV SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

Category of Shareholders	No. of Shares held at the beginning of the year, April 01, 2018				No. of Shares held at the end of the year, March 31, 2019				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTERS SHAREHOLDING									
(1) Indian									
a) Individual/HUF	163395	0	163395	0.60	163395	0	163395	0.59	(0.00)
b) Central Govt. or State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporates	0	0	0	0.00	0	0	0	0.00	0.00
d) Bank/FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other (pl specify)	0	0	0	0.00	0	0	0	0.00	0.00
SUB TOTAL:(A) (1)	163395	0	163395	0.60	163395	0	163395	0.59	(0.00)
(2) Foreign									
a) Individuals (Non-Resident Individuals/Foreign Individuals)	9432215	0	9432215	34.41	9528486	0	9528486	34.63	0.22
c) Bodies Corp.	650000	0	650000	2.37	650000	0	650000	2.36	(0.01)
d) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other (pl specify)	0	0	0	0.00	0	0	0	0.00	0.00
SUB TOTAL (A) (2)	10082215	0	10082215	36.78	10178486	0	10178486	36.99	0.21
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	10245610	0	10245610	37.37	10341881	0	10341881	37.59	0.21
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks/FI	60494	0	60494	0.22	6961	0	6961	0.03	(0.20)
C) Central govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Fund	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	48133	0	48133	0.18	48133	0	48133	0.17	(0.00)
g) Foreign Financial Institution	0	575	575	0.00	0	0	0	0.00	(0.00)
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
SUB TOTAL (B)(1):	108627	575	109202	0.40	55094	0	55094	0.20	(0.20)
(2) Central Government/ State Government(s)/ President of India	0	0	0	0.00	0	0	0	0.00	0.00
(3) Non Institutions									
a) Individual shareholders holding nominal share capital upto ₹ 2 lakhs	5037363	212057	5249420	19.15	4990188	184531	5174719	18.81	(0.34)



Category of Shareholders	No. of Shares held at the beginning of the year, April 01, 2018				No. of Shares held at the end of the year, March 31, 2019				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
b) Individuals shareholders holding nominal share capital in excess of ₹ 2 lakhs	3635916	65000	3700916	13.50	3227258	40000	3267258	11.87	(1.63)
c) Others (specify)									
i) Non Resident Indians (Repat)	598735	444698	1043433	3.90	1417744	469698	1887442	6.86	2.96
ii) Non Resident Indians (Non Repat)	244751	200000	444751	1.62	388326	0	388326	1.41	(0.21)
iii) Foreign Companies	0	3900000	3900000	14.23	0	3900000	3900000	14.17	(0.05)
iv) Foreign Portfolio Investors (Category III)	62000	0	62000	0.23	77000	0	77000	0.28	0.05
v) Clearing Member	228693	0	228693	0.83	97150	0	97150	0.35	(0.48)
vi) Directors / Relatives	100000	0	100000	0.36	150000	0	150000	0.55	0.18
vii) Trusts	453	0	453	0.00	453	0	453	0.00	(0.00)
viii) HUF	416996	0	416996	1.52	488951	0	488951	1.78	0.26
ix) IEPF	53457	0	53457	0.19	64030	0	64030	0.23	0.04
x) Foreign National	1300000	25000	1325000	4.74	1300000	25000	1325000	4.82	0.07
xi) Bodies corporates	533562	1100	534662	1.95	297189	1100	298289	1.08	(0.87)
SUB TOTAL (B)(3):	12211926	4847855	17059781	62.23	12498289	4620329	17118618	62.21	(0.01)
Total Public Shareholding (B)= (B)(1)+(B)(2)+(B)(3)	12320553	4848430	17168983	62.63	12553383	4620329	17173712	62.41	(0.21)
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	22566163	4848430	27414593	100.00	22895264	4620329	27515593	100.00	0.00

V SHARE HOLDING OF PROMOTERS AND PROMOTER GROUP

Sr. No.	Shareholders Name	Shareholding at the beginning of the year, April 01, 2018			Shareholding at the end of the year, March 31, 2019			% change in share holding during the year
		Number of shares	% of Shares	% of shares pledged/ encumbered to total shares	Number of shares	% of Shares	% of shares pledged/ encumbered to total shares	
1	Mr. Vish Tadimety	5,624,870	20.52	-	5721141	20.79	-	0.27
2	Ms. Sukhada Tadimety	1,121,592	4.09	-	1,121,592	4.08	-	(0.02)
3	Ms. Amogha Tadimety	254,320	0.93	-	254,320	0.92	-	(0.00)
4	Mr. Seetha Rama Chandra Rao Tadimety	75,094	0.27	-	75,094	0.27	-	(0.00)
5	Ms. Jyothi Tadimety	30,026	0.11	-	30,026	0.11	-	(0.00)
6	Ms. Shanta Radhakrishna Shanbhag	58,275	0.21	-	58,275	0.21	-	(0.00)
7	M/s. Red Banyan Holdings LLC	650,000	2.37	-	650,000	2.36	-	(0.01)
8	Mr. Steven Jeske	2,431,433	8.87	-	2,431,433	8.84	-	(0.03)
	Total	10,245,610	37.37	-	10,341,881	37.59	-	0.21

Notes :

- 1) Mr. Vish Tadimety disclaimed the beneficial ownership of shares held by M/s. Red Banyan LLC, USA
- 2) Percentage change in shareholding of promoter and promoter group at the end of the year is as a result of dilution on account of allotment of equity shares to employees pursuant to exercise of stock options and purchase equity shares by Mr. Vish Tadimety

VI CHANGE IN PROMOTERS' SHAREHOLDING

NAME OF THE PROMOTER	SHAREHOLDING AT THE BEGINNING OF THE YEAR		CUMULATIVE SHAREHOLDING DURING THE YEAR	
	No. of Shares	% of total shares of the company	No of Shares	% of total shares of the company
Mr. Vish Tadimety				
At the beginning of the year	5624870	20.52		
Purchases during the year	96271	0.35	5721141	20.79
At the end of the year			5721141	20.79
Mr. Steven Jeske				
At the beginning of the year	2431433	8.87		
At the end of the year			2431433	8.84
Ms. Sukhada Tadimety				
At the beginning of the year	1121592	4.09		
At the end of the year			1121592	4.08
M/s Red Banyan Holdings LLC				
At the beginning of the year	650000	2.37		
At the end of the year			650000	2.36
Ms. Amogha Tadimety				
At the beginning of the year	254320	0.93		
At the end of the year			254320	0.92
Mr. Seetha Rama Chandra Rao Tadimety				
At the beginning of the year	75094	0.27		
At the end of the year			75094	0.27
Ms. Shanta Radha Krishna Shanbhag				
At the beginning of the year	58275	0.21		
At the end of the year			58275	0.21
Ms. Jyothi Tadimety				
At the beginning of the year	30026	0.11		
At the end of the year			30026	0.11



VII Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

SR. NO.	For Each of the Top 10 Shareholders	SHAREHOLDING AT THE BEGINNING OF THE YEAR		CUMULATIVE SHAREHOLDING DURING THE YEAR	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
1	M/s. Indotech Holdings LLC				
	At the beginning of the year	3900000	14.23		
	At the end of the year			3900000	14.17
2	Mr. Joseph Michael Vanek				
	At the beginning of the year	1362000	4.94		
	Purchases during the year	15000	0.06	1377000	5.00
	At the end of the year			1377000	5.00
3	Mr. Prasad Rao Vellaturi				
	At the beginning of the year	817353	2.98		
	Sales during the year	(200)	(0.23)	817153	2.97
	At the end of the year			817153	2.97
4	Mr. Ashok Kumar Jain				
	At the beginning of the year	339271	1.24		
	Purchases during the year	189000	0.69	528271	1.92
	At the end of the year			528271	1.92
5	Ms. Aparna V. Goud				
	At the beginning of the year	259315	0.95		
	At the end of the year			259315	0.94
6	Ms. B. Thimmadevi Goud				
	At the beginning of the year	255570	0.93		
	At the end of the year			255570	0.93
7	Mr. Amarnath Gowda				
	At the beginning of the year	226511	0.83		
	At the end of the year			226511	0.82
8	Ms. Alka Jain				
	At the beginning of the year	249467	0.91		
	Purchases during the year	46848	0.17	296315	1.08
	Sales during the year	(79804)	(0.29)	216511	0.79
	At the end of the year			216511	0.79

9	Mr. Suresh Pahlaria				
	At the beginning of the year	11040	0.04		
	Purchases during the year*	200000	0.73	211040	0.77
	Sales during the year	2756	0.01	208284	0.76
	At the end of the year			208284	0.76
10	Mr. Ambadas Bhore				
	At the beginning of the year	124950	0.46		
	At the end of the year			124950	0.45

* Transfer by way of gift from relative

VIII Shareholding of Directors and Key Managerial Personnel(KMP)

SR. NO.	Directors	SHAREHOLDING AT THE BEGINNING OF THE YEAR		CUMULATIVE SHAREHOLDING DURING THE YEAR	
		No.of shares	% of total shares of the company	No of shares	% of total shares of the company
1	Mr. Vish Tadimety				
	At the beginning of the year	5624870	20.52		
	Purchases during the year	96271	0.35	5721141	20.79
	At the end of the year			5721141	20.79
2	Mr. Steven Jeske				
	At the beginning of the year	2431433	8.87		
	At the end of the year			2431433	8.84
3	Mr. Ramasubramanian Sankaran				
	At the beginning of the year	100000	0.36		
	Purchases during the year [§]	50000	0.18	150000	0.55
	At the end of the year			150000	0.55
4	Ms. Amogha Tadimety				
	At the beginning of the year	254320	0.93		
	At the end of the year			254320	0.94

[§]Employee Stock Options exercised during the year



IX INDEBTEDNESS

(₹ in Lakhs)

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits*	Total Indebtedness
Indebtness at the beginning of the financial year				
i) Principal Amount	1,092.54	-	141.96	1,234.50
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
Additions	691.17	-	102.51	793.68
Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	1,783.71	-	244.47	2,028.18
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

* Company has not accepted any public deposits but these deposits are in the nature of advances received from the Creditors and Licensees.

X REMUNERATION OF EXECUTIVE DIRECTOR AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time director and/or Manager:

(Amt ₹ In Lakhs)

Sr. No.	Particulars of Remuneration	Mr. Ramasubramanian Sankaran - Executive Director
1	Gross salary	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	56.18
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	Nil
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	Nil
2	Stock option	16.73
3	Sweat Equity	Nil
4	Commission as % of profit	Nil
	others (specify)	
5	Others, please specify	Nil
	Total	72.91
	Overall ceiling as per the Act. ^	168.00

^Increased the overall ceiling limit to ₹168 Lakhs pursuant to Shareholder's approval in the 22nd AGM held on September 28, 2017

B. Remuneration to the Non-Executive Directors:

(₹ in Lakhs)

Sr. No	Particulars of Remuneration	Fees for attending Board/Committee Meetings [^]	Commission	Total
1	Independent Directors			
	Mr. Sudhir Joshi	1.80	1.00	2.80
	Mr. M.P. Bharucha	0.80	1.00	1.80
	Dr. N.L. Sarda	1.80	0.50	2.30
	Dr. Shreepad Karmalkar	0.60	0.00	0.60
	Ms. Angela C. Wilcox	0.80	0.00	0.80
	Total (1)	5.80	2.50	8.30
2	Other Non-Executive Directors			
	Mr. Vish Tadimety	1.00	-	1.00
	Mr. Wim Elfrink*	0.40	-	0.40
	Mr. Steven Jeske	0.80	-	0.80
	Ms. Amogha Tadimety	0.80	-	0.80
	Total (2)	3.00	-	3.00
	Total Managerial Remuneration (1+2)	8.80	2.50	11.30

[^]Committee meetings include only Audit Committee, Nomination and Remuneration Committee and Stakeholder Relationship Committee.

@Mr. A.V. Rajwade resigned as an Independent Director w. e. f. November 04, 2017. Commission for FY 2017-18 of ₹1 Lakh was paid to him for his contribution to the Company

*Mr. Willem P. Elfrink (DIN: 07741650), Non-Executive and Non -Independent Director of the Company resigned from the Board owing to other professional commitments with effect from November 14, 2018.

C. Remuneration to Key Managerial Personnel other than Managing Director, Whole time director and/or Manager:

(₹ In Lakhs)

Sr. No.	Particulars of Remuneration	Mr. Praveen Agarwal - Chief Financial Officer	Ms. Sarita Leelaramani - Company Secretary & Compliance Officer
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	25.73	9.46
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	Nil	Nil
2	Stock option	Nil	Nil
3	Sweat Equity	Nil	Nil
4	Commission as % of profit others (specify)	Nil	Nil
5	Others, please specify	Nil	Nil
	Total (C)	25.73	9.46



XI PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority (RD/NCLT/Court)	Appeal made if any (give details)
A. COMPANY					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
B. DIRECTORS					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
C. OTHER OFFICERS IN DEFAULT					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

For CyberTech Systems and Software Ltd.

Sd/-

Vish Tadimety
Chairman
DIN: 00008106

Place : Trevoze, PA, USA
Date : August 12, 2019

ANNEXURE-VI

REPORT ON CORPORATE SOCIAL RESPONSIBILITY (“CSR”) [Pursuant to Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. A brief outline of the Company’s Corporate Social Responsibility (“CSR”) policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

The CSR Policy is available on the Company’s website. The web link of the same is http://www.cybertech.com/financialReports/corporatePolicies/Corporate_Social_Responsibility_Policy.pdf

The programs that the Company can undertake under the CSR policy is detailed in the CSR policy of the Company.

The Company had undertaken activities relating to promoting education, including special education and employment enhancing vocation skills especially among children for the Financial Year 2017–18.

The CSR activity funding is monitored by the Company. And the company does not internally undertake any CSR activities. The Company undertakes funding to the implementing agencies enrolled under Indian Institute of Corporate Affairs (IICA), New Delhi, a nodal agency of the Ministry of Corporate Affairs (MCA) of the Government of India, to carry out CSR activities

2. The Composition of the CSR Committee.

Name	Designation
Mr. Sudhir Joshi (Independent Director)	Chairman of CSR Committee
Mr. Vish Tadimety (Non-Executive Director)	Member
Dr. N.L. Sarda (Independent Director)	Member
Mr. Ramasubramanian S. (Executive Director)	Member

3. Average net profit of the Company for last three Financial Years:

(Amount in ₹)

Sr. No.	Financial Year	Profit Before Tax	Average net Profit	CSR amount (FY 2018-19)
1	2015-16	50,747,928	60,346,628	1,206,933
2	2016-17	111,194,113		
3	2017-18	19,097,844		
Total		181,039,885		

4. Details of CSR amount spent during the Financial Year:

a)	Amount to be spent for the F.Y. 2018-19	₹ 12,06,933/- (Rupees Twelve Lacs Six Thousand Nine Hundred Thirty Three Only)
b)	Amount unspent in F.Y. 2017-18 b/f	N. A.
c)	Amount Spent in F.Y. 2018-19	₹ 12,10,000/- (Rupees Twelve Lacs and Ten Thousand only)
d)	Manner in which the amount spent during the financial year	detailed below

In accordance with the Company’s CSR policy and in compliance with the Companies (Corporate Social Responsibility Policy) Rules, 2014, CyberTech Systems and Software Limited has undertaken number of CSR projects.



CyberTech

Systems and Software Limited

The details are as under:

(₹ In Lakhs)

Sr. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs 1) Local area or other 2) Specify the State and district where projects or programs were undertaken	Amount outlay (budget) project or Program wise	Amount spent on the projects or programs Sub-heads : 1) Direct expenditure on projects 2) overheads	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency
1	2	3	4	5	6	7	8
1.	Livelihood enhancement	Donated Sewing machines to the training center of Sakwar village, Thane for training in employment enhancing vocation skills	Thane, Maharashtra	10.00	10.00	10.00	Implementing agency: Ramakrishna Mission
2.	Promoting education	Sponsoring the education of children from economically backward section of the society	Guntur, Andhra Pradesh	2.06	2.10	12.10	implementing agency: Ramakrishna Mission

5. Reasons for not spending the full amount allocated for CSR Activities: N.A.

6. CSR Committee Responsibility Statement:

The CSR Committee confirms that the implementation and monitoring of the CSR activities of the Company are in compliance with the CSR objectives and CSR Policy of the Company.

For CyberTech Systems and Software Ltd.

Vish Tadimety
Chairman of the Company
(DIN: 00008106)

Sudhir Joshi
Chairman (CSR Committee)
(DIN: 00349597)

Place : Trevoze, PA, USA
Date : August 12, 2019

Place : Thane
Date : August 12, 2019

ANNEXURE VII

PARTICULARS OF EMPLOYEES

Disclosure pursuant to section 197(2) of the companies act, 2013 read with companies (appointment and remuneration of managerial personnel) rules, 2014

I. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2018 -19

S. No.	Name of Director(s)	Total Remuneration (₹ in Lakhs)	Ratio of Remuneration of Director to the Median remuneration*
1	Sudhir Joshi	2.80	0.57
2	M. P. Bharucha	1.80	0.37
3	N. L. Sarda	2.30	0.47
4	Shreepad Karmalkar	0.60	0.12
5	Vish Tadimety	1.00	0.21
6	Steven Jeske	0.80	0.16
7	Willem Elfrink	0.40	0.08
8	Amogha Tadimety	0.80	0.16
9	Angela Wilcox	0.80	0.16
10	Ramasubramanian S.	72.91	14.97

Notes:

- *Median remuneration for the financial year 2018-19 is ₹ 487125
- The aforesaid details are calculated on the basis of remuneration for the financial year 2018-19.
- The remuneration of Directors includes sitting fees paid to them for the financial year 2018-19.

II. The percentage increase in remuneration of each Director, Chief financial officer (CFO), Company Secretary(CS) in the financial year 2018-19 are as follows:

S. No.	Director(s)	Remuneration (₹ in Lakhs)		Increase/(Decrease) In %
		2018-19	2017-18	
1	A. V. Rajwade#	-	2.50	-
2	Sudhir Joshi	2.80	3.30	(15)
3	M. P. Bharucha	1.80	3.80	(53)
4	N. L. Sarda	2.30	3.30	(30)
5	Shreepad Karmalkar	0.60	1.40	(57)
6	Vish Tadimety	1.00	1.00	-
7	Steven Jeske	0.80	0.80	-
8	Angela Wilcox#	0.80	-	-
9	Willem Elfrink#	0.40	0.80	-
10	Amogha Tadimety	0.80	0.60	33
Key Managerial Personnel				
1	Ramasubramanian S.	72.91	76.39	(5)
2	Sarita Leelaramani	9.46	8.93	6
3	Praveen Agarwal§	25.93	22.25	4

§ Mr. Praveen Agarwal, was appointed as CFO on May 10, 2017, accordingly in the previous year proportionate remuneration was disclosed. In order to calculate the increase/decrease for the year under review, proportionate remuneration for the whole year has been considered.

#Notes:

- Mr. Willem Elfrink resigned from the Board of the company on November 14, 2018 owing to other professional commitments.
- Ms. Angela Wilcox being a newly appointed Independent Director of the Company in the month of February 2018 started participating in Meetings of the Board w.e.f. F.Y. 2018-19



- 3 Mr. A. V. Rajwade resigned from the Company w.e.f. November 04, 2017 owing to his ill health.
- 4 The remuneration to Directors is within the overall limits approved by the shareholders of the Company.
- 5 The remuneration to Directors includes sitting fees paid to them. The sitting fees paid are based on the number of meetings attended by the directors during the financial year 2017-18.
- 6 Increase in remuneration is made as per appraisal system and Nomination and Remuneration Policy of the Company.

III. The Percentage increase in the median remuneration of the employees in the financial year 2018-19

Particulars	2018 - 19	2017 -18	Change
Median remuneration of employees per annum	₹ 487,125	₹ 448,613	8.58%

IV. The number of permanent employees on the rolls of the Company as on March 31, 2019 - 417

V. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last year and its comparison with the percentile increase in the managerial remuneration and justifications thereof and point out if there is any exceptional circumstances for increase in the managerial remuneration:

Average increase in Salary of employees other than managerial personnel is 7% and there has been no increase in managerial remuneration (comprising of remuneration to Whole-time director and KMPs).

Nomination and Remuneration Committee (NRC) evaluates the performance of the Executive Director and Senior Managerial Personnel in every financial year and recommends their compensation package to the Board. NRC also ensures that the remuneration package is in accordance with applicable laws, in line with Company's objectives, shareholders' interest and industry standards.

For CyberTech Systems and Software Ltd.

Sd/-

Vish Tadimety
Chairman
DIN: 00008106

Place : Trevoze, PA, USA
Date : August 12, 2019

ESOP DISCLOSURES AS ON MARCH 31, 2019

Disclosures with Respect to compliance to Section 62 of the Companies Act, 2013 read with Rule 12 of Companies (Share Capital and Debentures) Rules, 2014 and Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 readwith SEBI Circular dated June 16, 2015

There was no material change in the Employee Stock Option Schemes ("ESOP"). The ESOP Schemes are in compliance with the regulations.

A. Relevant disclosures in terms of the 'Guidance note on accounting for employee share-based payments' issued by ICAI or any other relevant accounting standards as prescribed from time to time:

Members may refer to the Note No. 42 of Audited Financial Statements prepared as per Indian Accounting Standard (Ind AS) for the year 2018-19.

B. Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of options calculated in accordance with Indian Accounting Standard (Ind AS) 33

Diluted EPS for the year ended March 31, 2019 is ₹ 1.99

C. Details related to Employees' Stock Option Plan ("ESOP")

i. The description including terms and a condition of ESOP is summarized as under:

	Particulars	Employee Stock Option Scheme
(a)	Date of shareholders' approval	September 30, 2014
(b)	Total number of options approved under ESOP	1,323,567
(c)	Vesting requirements	The options granted will vest at the rate of 25% of the options granted after the completion of first year, second year, third year and fourth year from the date of the grant.
(d)	Exercise price or pricing formula	The Exercise Price shall be the price at the latest available (closing) market price on the applicable stock exchange (i.e. the stock exchange where the volume of shares of the Company traded on that day is the highest). prior to the date of the meeting of the board or any committee thereof at which such options have been granted.
(e)	Maximum term of options granted	The Employees shall be free to exercise vested options within a period of six months from the date of separation or seven years from the date of grant whichever is earlier, or such period as may from time to time be decided by the Nomination and Remuneration Committee. Options that have not been exercised within this period shall lapse and stand cancelled.
(f)	Source of shares (primary, secondary or combination)	Primary
(g)	Variation in terms of options	None
Additional information:		
	Number of options granted:	300,000 (As mentioned in Point vii)
	Pricing formula:	The options shall be priced at the latest available (closing) market price on the applicable stock exchange (i.e. the stock exchange where the volume of shares of the Company traded on that day is the highest) prior to the date of the meeting of the board or any committee thereof at which such options have been granted. However the minimum price shall be face value of the share.
	Options vested:	A total of 272,500 options vested during the year.
	Options exercised and number of shares arising out of such exercise:	A total of 101,000 options exercised during the year.
	Options lapsed:*	During the year 213,250 options lapsed.
	Variations in terms of options:	There was no variation in the terms of options.
	Total Number of options in force:	1,182,500 options were in force as on March 31, 2019

*213,250 Options, Lapsed/forfeited is on account of resignation of employees. Out of which 200,000 Options lapsed before vesting of the same.



ii. Method of Accounting

The Company has calculated the employee compensation cost using the fair value method of accounting to account for options issued under the ESOP in force.

The fair value at grant date of options granted during the year ended March 31, 2019 was ₹ 11.91 per option (March 31, 2018: ₹ 29.65 per option). The fair value at grant date is determined using the Black Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option. The value of the option has been determined by an independent valuer.

iii. Where the Company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the Company shall also be disclosed: **Not Applicable**

iv. Option movement during the year for Employees Stock Option Plan (ESOP):

Particulars of ESOP	As at March 31, 2019
Face Value of Option	10
Grants:	
Outstanding at the beginning	1,196,750
Add.: Granted during the year	300,000
Less: Exercised during the year	101,000
Less : Forfeited/Lapsed during the year #	213,250
Outstanding as at the end	1,182,500
Vested:	
Outstanding at the beginning	676,750
Add: Vested during the year	272,500
Less : Exercised during the year	101,000
Less : Forfeited/Lapsed during the year #	7,000
Outstanding as at the end	841,250
Number of options exercised during the year	101,000
Number of shares arising as a result of exercise of options	101,000
Money realized by exercise of options	₹ 17.89 Lakhs

#Options, Lapsed/forfeited is on account of resignation of employees. Out of which 200,000 Options lapsed before vesting of the same.

v. **Weighted-average exercise prices and weighted average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock:**

Particulars	As at March 31, 2019		As at March 31, 2018	
	Options	Weighted Average Exercise Price (₹)	Options	Weighted Average Exercise Price (₹)
Options outstanding at beginning of the year	1,196,750	35.35	1,783,000	38.22
Granted during the year	300,000	46.20	50,000	56.55
Exercised during the year	101,000	17.71	336,250	16.21
Forfeited/lapsed during the year	213,250	45.57	300,000	77.41
Options outstanding at end of year	1,182,500	37.76	1,196,750	35.35
Vested options pending exercise	841,250	36.44	676,750	32.94

As at March 31, 2019:

Range of Exercise Price	Number of shares arising out of options	Weighted average remaining life (Years)	Weighted average Exercise Price (₹)
₹ 10 to ₹ 15	53,000	1	11.34
₹ 16 to ₹ 45	979,500	4	37.37
₹ 46 to ₹ 90	150,000	6	49.65

As at March 31, 2018:

Range of Exercise Price	Number of shares arising out of options	Weighted average remaining life (Years)	Weighted average Exercise Price (₹)
₹ 10 to ₹ 15	128,000	5	11.34
₹ 16 to ₹ 45	1,018,750	6	33.81
₹ 46 to ₹ 90	50,000	7	56.55

vi. A description of the method and significant assumptions used during the year to estimate the fair value of options at the time of grant including the following information:

The Company uses fair valuation method using the following assumptions:

Dividend Yield	2%
Expected Volatility	58%
Risk free interest rate	7.51%
Expected life of share options	7 years

The expected price volatility is based on the historic volatility (based on the remaining life of the option), adjusted for any expected changes to future volatility due to publicly available information.

vii. Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to –

(a)	Details of Senior managerial personnel including Key Managerial Personnel w.r.t. grant of option for the year ended March 31, 2019	Mr. Pankaj Srivastava [^] , Sr. Vice President & CTO was granted 200,000 options @ ₹ 46.20, and Mr. Arun T.P., Vice President (Business Development, Strategy & SAP) was granted 100,000 options @ ₹ 46.20 on August 13, 2018
(b)	any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year	No employee of the Company received grant of options during the year amounting to 5% or more of options granted or exceeding 1% of issued capital of the Company
(c)	Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant.	

[^] Options granted to Mr. Pankaj Srivastava, Sr. Vice President & CTO lapsed on account of his resignation from whole time employment of the company.

Notes:

- Pursuant to approval of the Members at the Annual General Meeting held on September 30, 2014, the Company adopted the "Employee Stock Options Plan 2014"
- The Maximum number of options to be issued per employee in a fiscal year did not exceed 1% of the outstanding issued share capital, in the line with Regulation 6(3)(d) of SEBI (Share Based Employee Benefits) Regulations, 2014.

For CyberTech Systems and Software Ltd.

Sd/-

Vish Tadimety
Chairman
DIN: 00008106

Place : Trevoze, PA, USA
Date : August 12, 2019



MANAGEMENT DISCUSSION AND ANALYSIS

The following discussion and analysis should be read in conjunction with the Company's financial statements included herein and the notes thereto. The financial statements have been prepared in compliance with the requirements of the Companies Act, 2013 and Indian Accounting Standards (Ind AS). The Ind AS are prescribed under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, and relevant amendment rules issued thereafter. The Company's management accepts responsibility for the integrity and objectivity of these financial statements, as well as for various estimates and judgments used therein. The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, in order that the financial statements reflect in a true and fair manner the form and substance of transactions, and reasonably present the Company's state of affairs and profits for the year. Investors are cautioned that this discussion contains forward looking statements that involve risks and uncertainties. When used in this discussion, words like 'will', 'shall', 'anticipate', 'believe', 'estimate', 'intend', 'expect' and other similar expressions as they relate to the Company or its business are intended to identify such forward-looking statements. The Company undertakes no obligations to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. Actual results, performances or achievements could differ materially from those expressed or implied in such statements. Factors that could cause or contribute to such differences include those described under the heading "Risk factors" in the Company's prospectus filed with the Securities and Exchange Board of India (SEBI) as well as factors discussed elsewhere in this report. Readers are cautioned not to place undue reliance on the forward-looking statements as they speak only as on their date of statement.

Information provided in this Management Discussion and Analysis (MD&A) pertains to CyberTech Systems and Software Limited (the Company) and its subsidiaries on a consolidated basis, unless otherwise stated.

1. INDUSTRY OVERVIEW

Global Economy & IT

In 2018, the global growth momentum weakened significantly and is expected to remain subpar mainly due to persisting trade tensions and Brexit uncertainty.

According to International Monetary Fund (IMF), the global growth is forecasted to slow from 3.6% in 2018 to 3.3% in 2019 before edging up to 3.6% in 2020. Trade and investments have slowed sharply, business and consumer confidence have declined, and policy uncertainty remains high. At the same time, financial conditions have eased as central banks have moved towards more accommodative monetary stances, while fiscal policy has been providing stimulus in a handful of countries.

The United States (US) growth is projected to moderate to 2.3% in 2019 and 1.9% in 2020 from 2.9% in 2018, as the support from fiscal easing slowly fades. Growth in advanced economies is forecasted to slow from 2.2% in 2018 to 1.8% in 2019 and 1.7% in 2020. Emerging Market and Developing Economies (EMDEs) growth is expected to tick down to 4.4% in 2019 from 4.5% in 2018 before reaching to 4.8% in 2020. India GDP grew at 7.1% in 2018 and is estimated to grow at 7.3% in 2019 and 7.5% in 2020.

With weak expansion projected for most of the economies, a realization of downside risks such as rising protectionism, ongoing trade war, no deal Brexit, financial market volatility and policy uncertainties could worsen the outlook as per IMF. It is essential that policy mistakes are avoided. Economists are of view that policymakers should work cooperatively to help ensure that policy uncertainty do not weaken investments. They are of view that fiscal policy should manage the trade-offs between supporting demand and ensuring that public debt remains on a sustainable path while financial sector policies should address vulnerabilities proactively by deploying macroprudential tools. Across all economies, the crucial is to take actions that boost potential output, improve inclusiveness and strengthen resilience.

State of the Technology Industry –

As per NASSCOM's recent report, the global technology industry stood at USD 1.4 trillion in 2018 reflecting a growth of 4.9% over 2017. The global IT services increased by 3.2% majorly driven by growing demand for application development and management services. The global BPM market grew at 4.5% led by innovation and adoption of emerging technologies particularly Robotic Process Automation (RPA) as organizations are looking to automate low-hanging fruit and shift their focus to more strategic work.

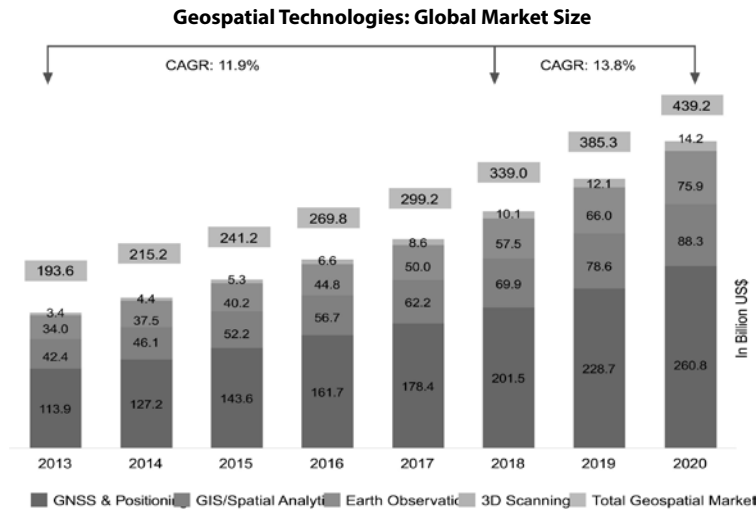
According to Market Research Future report, the global advanced analytics market is estimated to accelerate at a CAGR of 15% during the forecast period 2017 – 2023 primarily due to rising emergence of cloud-based technologies and adoption of artificial intelligence. Additionally, rising demand for advanced analytics solutions across various end users and increasing enterprise data are also driving the growth of the global advanced analytics market. The growing amount of data managed by enterprises nowadays is opening the doors to advanced analytics techniques and is responsible for fuelling the market growth.

Erosion of legacy revenue streams replaced by cloud and emerging technologies, forcing organisations to implement new ways of remaining relevant to customers. 2019 could mark the beginning of rapid adoption of new technologies that are disrupting the way businesses operate. Digital transformation will continue to remain key agenda of organizations in coming years.

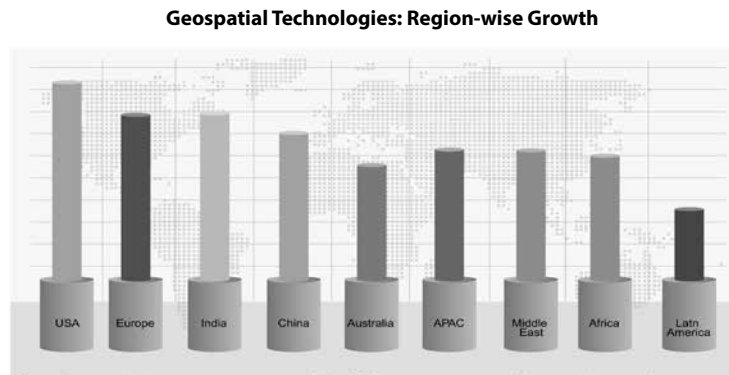
Geospatial Industry

With the advancement of digital technology, there is a rising need for real-time information for forecasting, threat detection and planning their workflow. Despite the world economy slowdown, experts are optimistic about Geospatial industry growth. According to GeoBuiz 2019 report, the global geospatial industry stood at US\$ 339.0 billion in 2018 and is projected to touch US\$ 439.2 billion by 2020, growing at a CAGR of 13.8% during

the forecast period of 2018 to 2020. The growth is expected to be mainly led by continuous technology advancements in the industry, democratization of geospatial information riding on integration with advancements in digital technologies and resultant innovative business models. The continuous growth in digital infrastructure and advancement in technology ecosystem of artificial intelligence, big data, automation, Cloud, IoT and miniaturization of sensors are adding to the momentum in the geospatial industry. Geospatial industry has the potential to be the 'game changer' industry in near term future. It is growing rapidly and innovations in the technological landscape are providing thrust to this development.



As the global geospatial industry continues to gain relevance and maturity, the overall market is expected to grow at a high rate during 2018 to 2020 period as per GeoBuiz report 2019.



Source: GeoBuiz Report 2019

The USA and Europe continue to lead the market followed by APAC region. As per GeoBuiz report 2019, the North America is the largest geospatial market with an estimated market share of 33.6% in 2018, growing at a CAGR of 10.51% between 2018-2020. The demand for geospatial data and services across geographies is expected to be driven by sharp expansion of the user base—aided by numerous initiatives being taken by the governments in these regions to bridge the prevailing digital divide.

The geospatial industry in India is projected to be at USD 1.1 billion in FY2018. Although India's tryst with mapping and location technology dates back to 1966, when The Indian Institute of Remote Sensing was set up, geospatial as an industry has been picking up pace of late with the government's smart cities project. Currently the Indian government is running around 163 geospatial-related projects across over 50 departments. Large amount of money have been pumped into these projects by the government. From the Ganga-cleaning project to mapping health and education schemes, the government is increasingly using geospatial technologies.

Geospatial technology and its synergy with several other technologies like information technology, design and engineering, wireless and telecommunications provides appropriate solutions in understanding and managing world resources. Major economic sectors such as mining, exploration, energy, water, housing, transportation, infrastructure and telecommunications are now starting to use geospatial technology to better understand their business domains, processes and assets. They are deploying essential geospatial tools at enterprise level to make their processes more efficient, productive and viable. There is huge opportunity for geospatial industry to play its due role and create an industry which can stand together with other major industries in creating a better and sustainable future.



2. Business Overview

The Company continues to focus on deepening SAP relationship and see SAP S/4HANA move as a great opportunity going forward. Our joint workshop offering with SAP Database Migration Factory in India is gaining traction from several Indian enterprises.

Our product portfolio continues to be promoted through our strategic channel partners - Cisco, Microsoft, ESRI and SAP. During the year, CyberTech was honoured as an Esri Cornerstone Partner at the Esri Partner Conference 2019 which validates Company's commitment towards the GeoSpatial community.

CyberTech's US-based subsidiary, Spatialitics LLC, which was formed to focus on spatial analytics based fabric and product portfolio, is growing in line with Company's strategy.

The Company expects significant momentum in our HIPAA-Compliant Geocoding service and Spatialitics Utilities Apps suite. CyberTech shall continue to invest in our engineering product developments under the Spatialitics Brand.

United States continued to be the major revenue contributor with a contribution of 91% towards operating revenue while 9% accounted for India. Company continue to see steady growth from US business which grew 19% on year-on-year basis in FY19.

During the year, CyberTech participated and showcased its SAP offerings and Spatialitics products in SAP FKOM (SAP Field Kick-Off Meeting) 2019 and GeoSpatial World Forum 2019. Our experts were part of panel discussions in several SAP and Esri events. CyberTech has now become a member of American Water Works Association (AWWA).

CyberTech has also become a member of American Water Works Association (AWWA).

3. Quality

At CyberTech the management and employees are committed to delivering solutions and IT services that consistently exceed client expectations and delight our clients through continued Quality improvements.

CyberTech has achieved ISO 9001-2008 and CMMI Level 3 standards for offshore development activities.

4. Human Resources

The company believes that effective human resources administration is the best way to ensure that personnel needs are well integrated and amalgamated into long term organizational goals. Effective employee management tops the priority of the Human Resource Department of the Company.

The human resource strategy is focused on creating a performance driven environment in the company, where innovation is encouraged, performance is recognized and employees are motivated to realize their potential.

HR is not only continuously acquires right people for right place but groom them. CyberTech Management is constantly in touch with employees to boost their morals. Training programs are arranged to improve their skill sets which in turn helps the Company to efficiently achieve their targets, to provide timely support to customers and follow up with the clients to support their software platforms.

During the year, the Company formed an Industry Advisory Board for Spatialitics with prominent industry leaders from various domains. Captain Brandon Gillespie from Modesto Police Department joined the Advisory Board as our Public Safety expert. Mr. Mike Armstrong, GM of WaterOne joined as the Chairman of the Advisory Board.

The Company and its wholly owned subsidiaries have 417 full time employees on its payroll.

5. Opportunities and Threats

Opportunities:

Spatial Analytics is a new area that is shaping up and growing very fast riding on the fact that it is at the heart of IoT, Smart Cities and Digital Transformation. Spatial Analytics lead to intelligent machine level decision making. CyberTech has the opportunity and continues to focus on to be the Leader in Location and Spatial Analytics.

CyberTech has Alliance partnerships with several leading technology companies including SAP, ESRI, Cisco and Microsoft. The Company is well poised to take advantage of the new advanced technologies provided by these alliance partners. These technology alliance partners expect to see major technology opportunities for their customers in the United States.

CyberTech continues to focus on Enterprise Solutions offerings. Any increase in offshore related services should have the effect of increased Company margins and profitability and increased longevity of business contracts. The Company intends its growth share with the existing clients which will have a supplemental effect of reducing cost of overhead as well as the delivery cost.

Threats:

The economic uncertainty of the current worldwide markets makes the future less predictable than in the past due to the current demand environment. Worldwide IT spending growth has significantly reduced with budget cutbacks on IT spending by customers, buyers in “wait and watch” mode, government units significantly cutting budgets to match expected revenue shortfalls and delayed decision making. Reduction in new client additions, absence of large deals, vendor consolidation, downsizing for greater efficiencies and cost savings as well as pricing pressures — in both onsite and offshore realization put greater pressures on revenues and margins in the last fiscal year and are expected to track lower for some time.

The US market is under increasing pressure from general economic conditions as growth diminishes. US spending on off-shore services have slowed down in the face of these market conditions as well as the adoption of protectionist measures by policy makers. CyberTech is also subject to the threats of competing against much larger International IT service providers, the large global Indian IT service providers and more entrenched US and Global System integrators, many of which also provide services to established markets on an offshore basis. The good news is that, global sourcing is expected to increase as focus on cost and ‘value’ increases with buyers “stretching the dollar” to include greater value delivery.

As with other Indian IT Services companies, other general threats to the business continue to include competition among Information and Technology units in India for talented people, which has resulted in rising employee compensation packages and shrinking margins available to IT Companies. We are also seeing a potential backlash in the US from the increasing loss of employment due to outsourced services overseas, resulting in an impact on the country’s immigration enforcement procedures.

6. Outlook and Risks

Outlook:

The geospatial industry continues to grow at a fast pace driven by the digital revolution. Mainstreaming of geospatial market continues to lead the growth momentum. However, the industry also realizes that to achieve full potential there need to be a convergence of various technologies and complete services/solutions must be offered.

Experts believe that organic growth with strategic alliances is the need of an hour for the industry to emerge as a service/solution-centric one. While continuous innovation remains a top priority for the industry, it also needs to adopt open source and open standards to realize full potential of technologies.

CyberTech is well poised to capture the growth opportunities in geospatial industry. The Company will continue to remain focused on restructuring its business from “IT Services only firm” to “Geospatial Platform and Solutions Provider firm”. The Company will continue to invest in people, IT systems and software platform to strengthen its capabilities for future growth.

CyberTech’s product portfolio continues to be promoted through its strategic channel partners such as Cisco, Microsoft, ESRI and SAP. Company’s long term partnership with ESRI signals that with strong GeoSpatial expertise, Cybertech can help its clients to derive tremendous geospatial insights. The Company sees significant growth momentum in geospatial space and expects a good growth traction in coming years.

Risks:

Risk management program involves risk identification, assessment and risk mitigation. The Company has evolved following offerings.

1. Spatial Analytics Platform
2. Enterprise solutions

Each line of offerings has been given full operational freedom to improve the business but their margins are constantly monitored by the Management and Board of Directors and Executive Committee. Each has been given targets and means by way of budgets to improve their efficiency and healthy strategic growth of the Company.

Some of the key strategic risks the company faces, their impact and corresponding risk mitigation actions undertaken by the company are discussed in the table:

Key Risks	Impact on CyberTech	Mitigation
Lack of Diversification	The Company’s potential for growth is driven by one market segment, namely IT services, with a focus on several technology areas.	Company management has purposely remained focused in the near term as opposed to spreading its manpower too thin to achieve its goals. The company is also taking measures to change the perspective from the pure services providers company to market Product and IPs.



Excessive dependence on one geographic segment	A large percentage of company's revenue comes from USA, heavy dependence on this one geographic segment could lead to volatility because of the economic and political situation there.	The Company's various product initiatives are gaining momentum globally apart from USA. This can be leveraged to expand its horizon other than USA.
Legal and Statutory Risks	The company's international operations are subject to local legal and statutory risks including compliance with local laws and regulations, one of which is compliance with immigration laws and regulations, which may change from time-to-time. Other risks include contractual risks when delivering complex technology solutions.	As of the date of this report, the company is not aware of any noncompliance with local laws or regulations that would have a material impact on Financial Statements.
Risk of attracting and retaining of IT Professionals in a highly competitive environment	In the IT services industry, people are the most valuable assets. Attrition of the key technical talent is one of the major risks.	The company reviews its compensation policies regularly to determine that compensation is competitive with the market conditions. The company also determines that there is a defined career path for all employees and the work environment provided to all employees is very competitive and is of very high standard.
Currency Risk	The changes in currency rate between Indian Rupees and US dollars have been a major cause of concern. The fluctuation of rates coupled with the shocks emerging from various parts of the world relating to the economic meltdown has increased the currency risk.	The Company has framed its hedging policy and Management and the Board of Directors monitor the currency position from time to time.

7. INTERNAL CONTROL SYSTEM & THEIR ADEQUACY

The Company has Internal Control procedures commensurate with its size and nature of the business. These business procedures ensure optimum use and protection of the resources and compliance with the policies, procedures and statutes.

The Internal Control Systems provide for well-defined policies, guidelines and authorizations and approval procedures. The operation and monitoring of the system of internal control is entrusted to employees who possess the necessary skills, technical knowledge, understanding of the Company, industries and markets in which it operates.

An Independent Audit Committee, on quarterly basis, reviews adequacy and effectiveness of internal controls and provides observations/recommendations. The discussions are also made with Internal Auditors and the Internal Audit Report is also reviewed by the Committee.

8. FINANCIAL CONDITION

Your Company had consolidated revenues of ₹ 103.11 Crores and ₹ 10.23 Crores net profit in the current year. Company expect to achieve significant growth in revenue and net income in the coming years. The detailed financial condition is stated in Board's Report which forms part of Annual Report. A quick snapshot is given below

(₹ In Crs.)

Particulars	FY 2019	% of Revenue	% of Growth	FY 2018	% of Revenue
Revenue	103.1	100.0	8.3	95.2	100
Earnings before interest, tax, depreciation and amortization	19.8	19.4	73.7	11.4	12.0
Profit Before Tax (PBT)	12.2	11.8	212.8	3.9	4.1
Profit after tax attributable to the shareholders of the company	10.2	9.9	218.8	3.2	3.4
Earnings per Share	3.68	-	217.2	1.16	-

9. CAUTIONARY STATEMENT

Statements in this document/discussion relating to future status, events, or circumstances, including but not limited to statements describing the Company's objectives, projections, estimates and expectations maybe 'forward looking statements' within the meaning of applicable laws and regulations. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. 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.

For CyberTech Systems and Software Ltd.

Sd/-

**Vish Tadimety
Chairman
DIN: 00008106**

**Place : Trevoze, PA, USA
Date : August 12, 2019**



REPORT ON CORPORATE GOVERNANCE

We are pleased to submit hereunder a detailed report on Corporate Governance for the Financial Year ended on March 31, 2019, pursuant to Regulation 17 to 27 and Regulation 34 (3) read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI (LODR) Regulations, 2015") as applicable, with regard to Corporate Governance;

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

The Company's philosophy on Corporate Governance oversees business strategies and ensures fiscal accountability, ethical corporate behavior and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large. Since inception, CyberTech Systems and Software Limited ("the Company/CyberTech") has been adopting best practices in the area of Corporate Governance as a means of effectively protecting and enhancing all the stakeholders' value. It would be our endeavor to nurture sustained growth with increased profit margins and enhanced shareholders' value.

The Company has adopted a Code of Conduct for its employees and the Board of Directors, which includes Code of Conduct for Independent Directors which suitably incorporates the duties of Independent Directors as laid down in the Companies Act, 2013 ("the Act") and the SEBI (LODR) Regulations, 2015. These codes are available on the Company's website: www.cybertech.com

2. BOARD OF DIRECTORS

a. Composition

The Board has a combination of Executive and Non-executive Directors in order to have an effective Board Structure. As on March 31, 2019, the strength of the Board of Directors is Nine (09) Directors comprising of Eight (8) Non-Executive Directors including Two (2) Women Directors. Out of total number of Directors, Five (5) are Independent Directors who constitute more than one-half of the total strength of the Board. The Company is in compliance with the requirements of Regulation 17 of the SEBI (LODR) Regulations, 2015. All Directors are competent and experienced personalities in their respective fields.

None of the Directors on the Board hold Directorships in more than Ten (10) public companies. Further, none of them is a member of more than Ten (10) committees or chairman of more than Five (5) committees across all the public companies in which he or she is a Director. Further, in compliance with proviso to Regulation 17A (1) of SEBI (LODR) Regulations, 2015, none of the Independent Directors holds directorship in more than seven listed companies. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2019 have been made by the Directors.

Independent Directors are Non-executive Directors as defined under Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015 and Section 149(6) of the Act. The maximum tenure of Independent Directors is in compliance with the Act. All the Independent Directors have confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015 and Section 149(6) of the Act.

Pursuant to the amendment in regulation 24(1) of SEBI (LODR) Regulations, 2015 at least one Independent Director of the Board of parent Listed Entity to be a director on the Board of Directors of Subsidiaries. Accordingly, Mr. Sudhir Joshi was appointed as an Independent Director on the Board of CyberTech Systems & Software Inc., USA and Spatialitics LLC, USA, (not a material subsidiary for the year under review) Wholly-owned Subsidiaries of the Company with effect from April 01, 2019 in the Board Meeting held on February 04, 2019.

The Composition of the Board, details of other directorships, committee positions as on March 31, 2019 are given below:

Sr. No.	Name	Directors Identification Number (DIN)	Category of Directors	No. of Directorships held (including CSSL)#	No. of Membership/Chairmanship in Board Committees (including CSSL)@	
					Chairman	Member
1.	Mr. Vish Tadimety	00008106	Non-Executive Chairman and Promoter Director	1	NIL	NIL
2.	Mr. Ramasubramanian Sankaran	05350841	Executive Director	1	NIL	1
3.	Mr. Steven Jeske	01964333	Non-Executive and Non-Independent Director	1	NIL	NIL
4.	Ms. Amogha Tadimety	06952042	Non-Executive and Non-Independent Director	1	NIL	NIL
5.	Mr. Sudhir Joshi	00349597	Non-Executive and Independent Director	4	2	2
6.	Mr. M.P. Bharucha	00361911	Non-Executive and Independent Director	2	1	1
7.	Dr. Shreepad Karmalkar	03273896	Non-Executive and Independent Director	1	NIL	2
8.	Dr. N.L. Sarda	00147782	Non-Executive and Independent Director	3	NIL	4
9.	Ms. Angela C. Wilcox	08068715	Non-Executive and Independent Director	1	NIL	NIL
10.	Mr. Willem P. Elfrink*	07741650	Non-Executive and Non-Independent Director	1	NIL	NIL

Notes:

* Mr. Willem P. Elfrink (DIN: 07741650), Non-Executive and Non-Independent Director of the Company resigned from the Board with effect from November 14, 2018, owing to his professional commitments.

#Number of Directorships held excludes Directorships in Private Limited Companies, Foreign Companies, Companies under Section 8 of the Companies Act, 2013 (earlier Section 25 of the Companies Act, 1956) and Alternate directorships.

@Only covers Membership/Chairmanship of Audit Committee and Stakeholders' Relationship Committee of Listed and Unlisted Public Limited Companies.

The Board of Directors met Four (04) times during the year under review. The date of the Board Meetings and attendance thereat are furnished hereunder:

Date of Board Meeting	May 09, 2018	August 13, 2018	November 14, 2018	February 04, 2019
Board Strength as on the date of Board Meetings	10	10	9	9
No. of Directors Present*	9	9	9	8

*The attendance includes presence of Directors through Tele/Video conferencing facilities.

b. Attendance of individual Directors at the Board Meetings and last AGM:

Name of Director	No. of Board Meetings held during year	No. of Board Meetings Attended [^]	Attendance at last AGM
Mr. Vish Tadimety	4	4	Attended
Mr. Sudhir Joshi	4	4	Attended
Mr. M.P. Bharucha	4	4	Attended
Dr. N.L. Sarda	4	4	Not Attended
Dr. Shreepad Karmalkar	4	1	Not Attended
Mr. Steven Jeske	4	4	Not Attended
Mr. Ramasubramanian Sankaran	4	4	Attended
Ms. Amogha Tadimety	4	4	Not Attended
Ms. Angela C. Wilcox	4	4	Not Attended
Mr. Willem P. Elfrink*	4	2	Not Attended

* Mr. Willem P. Elfrink (DIN: 07741650), Non-Executive and Non-Independent Director of the Company resigned from the Board owing to his professional commitments with effect from November 14, 2018.

c. Inter-se relationships amongst Directors

As on March 31, 2019, there is no inter-se relationship among the Directors except Ms. Amogha Tadimety, Non-Executive Director is the Daughter of Mr. Vish Tadimety, Non-Executive Chairman and Promoter Director of the Company.

d. Number of Shares and Convertible instruments held by Directors:

The following Directors are holding Shares of the Company as on March 31, 2019:

S.No.	Name of Director	No. of Shares held
1.	Mr. Vish Tadimety	57,21,141
2.	Ms. Amogha Tadimety	2,54,320
3.	Mr. Steven Jeske	24,31,433
4.	Mr. Ramasubramanian Sankaran	1,50,000

e. Independent Directors:

The Independent Directors fulfill the criteria of independence, which are given under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015 and have given declaration of independence as per the requirements. The Draft Letter of Appointment of Independent Directors is available on the website of the Company www.cybertech.com.



During the year under review, a separate meeting of Independent Directors of the Company as per the requirements of Schedule IV of the Companies Act, 2013 and Regulation 25 (3) of the SEBI LODR, Regulations, 2015 was held on March 13, 2019 without the attendance of Non-Independent Directors and the members of the management, inter alia, to discuss the following:

- Review the performance of Non-independent Directors and the Board of Directors as a whole;
- Review the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.
- Assess the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

f. Skills/ Expertise/ Competence of the Board of Directors:

- Technical/ Professional skills and specialized knowledge in relation to Company's business.
- Knowledge of Company's business policies, culture (including the Mission, Vision and Values), major
- Risks/threats and potential business opportunities in the industry in which the Company operates.
- Financial and Management skills.
- Technical / professional skills and specialized knowledge of Company's business.
- Marketing Strategy, Competitive Analysis, Innovation and Research and Development.
- Corporate Governance, Human Resource Development, Administration.
- Behavioral skills, attributes and competencies to use their knowledge to contribute effectively to the growth of the Company.

g. Familiarisation Programme:

Pursuant to the provision of Regulation 25(7) of the SEBI (LODR) Regulations, 2015, the Company has in place Familiarization Programme for Independent Directors to familiarize them about the Company and their role, rights and responsibilities in the Company. The Familiarization Programme and details of Familiarization Programme imparted during 2018-19 are uploaded on the website of the Company and can be accessed through web-link:

http://www.cybertech.com/financialReports/Familiarization_programme_FY2018-19.pdf

3. COMMITTEES OF THE BOARD

The Company has four Board-level Committees namely, Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee and Corporate Social Responsibility Committee.

All decisions pertaining to the constitution of Committees, terms of reference, etc. are taken by the Board of Directors. Details on the role and composition of these Committees, including the number of meetings held during the Financial Year 2018-19 and the related attendance, are provided below:

i) Audit Committee

a) Brief description of Terms of reference

The scope and terms of reference of the committee, inter alia, includes following:

Financial Reporting and Related Processes:

- Oversight of the Company's financial reporting process and financial information submitted to the Stock Exchanges, regulatory authorities or the public;
- Reviewing with the Management the quarterly unaudited financial statements and Limited Review Report thereon/audited annual financial statements and Auditors' Report thereon before submission to the Board for approval. This would, inter alia, include reviewing changes in the accounting policies, if any, and major accounting estimates based on exercise of judgment by the Management, significant adjustments made in the financial statements and/ or recommendation, if any, made by the Statutory Auditors in this regard;
- Reviewing the Management Discussion & Analysis of financial and operational performance; and
- Scrutiny of inter-corporate loans and investments, if any.

Internal Controls and Governance Processes:

- Review the adequacy and effectiveness of the Company's internal control system. Review and discuss with management the Company's major financial risk exposures and steps taken by the Management to monitor and control such exposure;

- Review adequacy of internal audit function, internal audit reports and discussion with Internal Auditors on significant findings and follow-up thereon;
- To oversee and review the functioning of a Vigil Mechanism and to review findings of investigation into cases of material nature and the actions taken in respect thereof; and
- Approval and Review of Related Party Transactions.

Audit & Auditors

- Review the scope of the Statutory Auditors, the annual audit plan and the Internal Audit Plan with a view to ensure adequate coverage;
- Review the significant audit findings from the statutory and internal audits carried out, the recommendations and Management's response thereto;
- Review and recommend to the Board appointment/re-appointment of the Statutory Auditors, Internal Auditors; and
- Fixation of Statutory Audit Fees and approval of such other services to be rendered by the Statutory Auditors except those enumerated under Section 144 of the Companies Act, 2013 and payment for such services.

Pursuant various amendments in SEBI (LODR) Regulations, 2015 the terms of reference of the Audit Committee were amended on February 04, 2019 by the Board of Directors of the Company.

b) Composition and attendance at Audit Committee Meetings:

As on March 31, 2019, the Audit Committee comprises of Three Directors as the Members. All the Members of the Audit Committee are qualified, experienced and possess sound knowledge of finance, accounting practices and Internal Controls.

During the year under review, four (04) meetings were held viz., on May 09, 2018, August 13, 2018, November 14, 2018, and February 04, 2019.

The Composition of Audit Committee and details of attendance of the members during the year 2018-19 are as under:

S.No.	Name	Designation & Category	No. of Meetings attended \$
1	Mr. Sudhir Joshi	Chairman, Independent Director	4
2	Dr. N.L. Sarda	Member, Independent Director	4
3	Dr. Shreepad Karmalkar	Member, Independent Director	1

\$ The attendance includes presence of Directors through Video/tele-conferencing facilities.

The representatives of the Statutory Auditors, Internal Auditors, Secretarial Auditors and Chief Financial Officer are permanent invitees to the Audit Committee Meetings and they attend the meetings. All the members of the Audit Committee have requisite accounting and financial management expertise.

Mr. Sudhir Joshi, Chairman of the Audit Committee attended the 23rd Annual General Meeting to attend and respond to the queries raised by the shareholders at the said AGM.

As per Regulation 18 (1)(e) of SEBI (LODR) Regulations, 2015, the Company Secretary of the Company acts as the Secretary of the Audit Committee.

ii) Nomination and Remuneration Committee

The Nomination and Remuneration Committee ("NRC") is constituted in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (LODR) Regulations, 2015.

a) Nomination and Remuneration Policy:

The Company has formed a Nomination and Remuneration policy in accordance the provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015 with the stock exchanges and in order to harmonize the aspirations of human resources consistent with the goals of the Company which interalia includes Company's policy on Board Diversity, selection, appointment and remuneration of Directors, criteria for determining qualifications, positive attributes, independence of a Director and criteria for performance evaluation of the Directors.

The remuneration to the Key Managerial Personnel and Senior Management of the Company involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

The Nomination and Remuneration Committee recommends to Board for approval, the compensation package of the Executive Director. The compensation structure includes basic salary, perquisites, etc. The compensation packages are in accordance with applicable law, in line with the Company's objectives, shareholders' interests and as per the industry standards.

The commission paid to the Directors (Independent and Non-Executive) of the Company is in accordance with the approval granted by the shareholders of the Company and in compliance with the Companies Act, 2013 read with the Rules issued thereunder. The Company has not granted any stock options to any of its Independent Directors.



Pursuant various amendments in SEBI (LODR) Regulations, 2015 the terms of reference of the Nomination & Remuneration Committee were amended on February 04, 2019 by the Board of Directors of the Company.

The Policy containing exhaustive terms of reference as amended on February 04, 2019 is available on our website, at

<https://www.cybertech.com/financialReports/corporatePolicies/Nomination%20&%20Remuneration%20Policy.pdf>.

b) Composition and attendance at Nomination and Remuneration Committee Meetings:

During the year under review, one (01) meeting of the Nomination and Remuneration Committee was held on August 13, 2018.

The Composition of the Nomination and Remuneration Committee and details of attendance of the members during the year 2018-19 are as under:

S. No.	Name	Designation & Category	No. of Meetings attended §
1	Mr. Sudhir Joshi	Chairman, Independent Director	1
2	Mr. Vish Tadimety	Member, Non-Independent Director	1
3	Mr. M.P. Bharucha	Member, Independent Director	Nil
4	Dr. N.L. Sarda	Member, Independent Director	1
5	Dr. Shreepad Karmalkar	Member, Independent Director	Nil

§ The attendance includes presence of Directors through Video/tele-conferencing facilities.

c) Performance Evaluation:

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, the Board has carried out the annual performance evaluation of its Directors individually as well as the evaluation of the working of its Committees. The performance evaluation criteria for Independent Directors are determined by an indicative list of factors on which evaluation was carried out and it includes, participation and contribution by a director, commitment, effective deployment of knowledge and expertise, integrity and maintenance of confidentiality and independence of behavior and judgment. The performance evaluation of the Directors, the Board and its Committees was accordingly carried out based on the criteria laid down under the SEBI Circular dated January 5, 2017:

A) Criteria / Manner of Performance Evaluation of the Board:

- Structure of the Board covering the following:
 - Competency of directors
 - Experience of directors
 - Mix of qualifications of directors
 - Diversity in Board under various parameters
 - Process of appointment to the Board
- Meetings of the Board covering the following:
 - Regularity and frequency of meetings
 - Quality of agenda
 - Quality of discussions at the meeting
 - Recording of dissent of director at the meeting
 - Proper recording of minutes
- Key responsibilities and functions of the Board covering the following:
 - Roles and responsibilities of the Board as defined under the statute
 - Strategy and performance evaluation
 - Governance and compliance
 - Evaluation of Risks
 - Investor Grievance redressal
 - Conflict of interest
 - Stakeholder value and responsibility
 - Corporate culture and values
 - Review of Board evaluation
 - Facilitation of independent directors
- Board and Management:
 - Evaluation of performance of the management and feedback
 - Independence of the management from the Board

- Access of the management to the Board and vice versa
- Adequate Secretarial support for conducting Board Meetings
- Availability of funds for the meetings, for seeking expert(s) opinion, etc.
- Succession plan

• **Professional development:**

- Adequacy of induction and professional development programs made available to new and old directors.
- Training of continuing directors to ensure that the members of the Board are kept up to date.

B) Criteria / Manner of Performance Evaluation of the Committees:

- Mandate and composition of the Committee
- Effectiveness of the Committee
- Structure of the Committee and its meetings
- Independence of the Committee from the Board
- Contribution to decisions of the Board

C) Criteria / Manner of Performance Evaluation of Individual Directors:

- Qualifications, experience, knowledge and competency of the director
- Understanding and fulfillment of the functions assigned by the Board and by the law
- Ability to function as a team and to take initiative with respect to various areas
- Attendance of the director at the meetings
- Adequate Commitment of director towards the Board and the entity
- Contributions made by the director at the Meetings of the Board and of the Committees
- Performance characteristics of the Director such as integrity and commitment to the Board and the Company, acting in good faith, exercising reasonable care, skill and diligence, independent judgment and avoiding conflict of interest situation.

In case of a chairperson, additional consideration to be given to:

- Effectiveness of leadership and ability to steer the meetings
- Impartiality in conducting discussions, seeking views and dealing with dissent
- Commitment and ability to keep shareholders' interests in mind during discussions and decisions.

The performance evaluation of the Independent Directors was carried out by the entire Board. The Independent Directors in their separate meeting held on March 13, 2019, reviewed the performance of the Chairman, Executive Director and other Non-Executive Directors on the Board of the Company. They also assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

d) Remuneration to Non-executive Directors for the Financial Year 2018-19:

(₹ in Lakhs)

Name	Designation	Commission #	Sitting fees	Total *
Mr. Vish Tadimety	Chairman	Nil	1.00	1.00
Ms. Amogha Tadimety	Director	Nil	0.80	0.80
Mr. Steven Jeske	Director	Nil	0.80	0.80
Mr. Wim Elfrink@	Director	Nil	0.40	0.40
Mr. Sudhir Joshi	Director	1.00	1.80	2.80
Mr. M.P. Bharucha	Director	1.00	0.80	1.80
Dr. N.L. Sarda	Director	0.50	1.80	2.30
Dr. Shreepad Karmalkar	Director	Nil	0.60	0.60
Ms. Angela C. Wilcox	Director	Nil	0.80	0.80

Mr. A.V. Rajwade resigned as an Independent Director w. e. f. November 04, 2017. Commission for FY 2017-18 of ₹ 1 Lakh was paid to him for his contribution to the Company

@ Mr. Willem P. Elfrink (DIN: 07741650), Non-Executive and Non-Independent Director of the Company resigned from the Board owing to other professional commitments with effect from November 14, 2018.

*The remuneration paid to Non-Executive Directors includes commission and sitting fees paid towards attending the Board Meeting, Audit Committee Meeting and Nomination and Remuneration Committee Meetings held during the year.



Mr. Vish Tadimety and Mr. Steven Jeske hold Office or place of profit as Directors in the wholly owned subsidiaries, CyberTech Systems and Software Inc. USA and Spatialitics LLC, USA

e. Remuneration paid to Executive Director

The remuneration paid to Mr. Ramasubramanian Sankaran, Executive Director for the Financial Year 2018-19 is ₹ 72.91 Lakhs inclusive of perquisites amounting to ₹ 16.73 Lakhs.

Mr. Ramasubramanian Sankaran, Executive Director has also been granted Employee Stock Options under the Employee Stock Option Scheme (ESOP) of the Company, apart from the aforesaid remuneration. The details of the ESOP granted to the Executive Director as detailed below:

Particulars	As at March 31, 2019
Grants to the Executive Director:	
Outstanding at the beginning	450,000
Add.: Granted during the year	-
Less: Exercised during the year	50,000
Less : Forfeited/Lapsed during the year	-
Outstanding as at the end	400,000
Vested to the Executive Director:	
Outstanding at the beginning	300,000
Add: Vested during the year	100,000
Less : Exercised during the year	50,000
Less : Forfeited/Lapsed during the year	-
Outstanding as at the end	350,000
Details of options Exercised during the year:	
Exercised during the year	50,000
Exercise price	11.34
Amount paid	567,000
Perquisite value of Options exercised	1,673,000

There is no separate provision for payment of severance fees.

Notice period is 3 Months as per terms of the appointment.

iii) Stakeholders' Relationship Committee

a) Composition and attendance at Stakeholders' Relationship Committee Meeting

In compliance with Regulation 20 of the SEBI (LODR) Regulations 2015, the Board has constituted the Stakeholders' Relationship Committee inter alia to consider and review the complaints received from shareholders. 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 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, to the Stakeholders' Relationship Committee.

Pursuant various amendments in SEBI (LODR) Regulations, 2015 the terms of reference of the Stakeholders' Relationship Committee were amended on February 04, 2019 by the Board of Directors of the Company.

No Stakeholders' Relationship Committee meeting was held during the year under review.

The Composition of Stakeholders' Relationship Committee during the year 2018-19 is as under:

S. No.	Name	Designation & Category
1	Mr. Sudhir Joshi	Chairman, Independent Director
2	Dr. N.L. Sarda	Member, Independent Director
3	Dr. Shreepad Karmalkar	Member, Independent Director
4	Mr. Ramasubramanian Sankaran	Member, Executive Director

As per the provisions of Regulation 20 (2) of SEBI LODR Regulations, 2015, Mr. Sudhir Joshi, Chairman of the Committee is an Independent and Non-Executive Director.

Name, designation and address of Compliance Officer:

Ms. Sarita Leelaramani
 Company Secretary and Compliance Officer
 CyberTech Systems and Software Limited
 'CyberTech House', Plot No. B-63/64/65
 Road No. 21/34, J. B. Sawant Marg, MIDC
 Wagle Estate, Thane (W)-400604
 T +91-22-2583 4643/44

Details of investor complaints received and redressed during the year 2018-19 are as follows:

Opening Balance	Received during the year	Resolved during the year	Closing Balance
Nil	Nil	Nil	Nil

Exclusive e-mail id for Investor Grievances: cssl.investors@cybertech.com.

iv) Corporate Social Responsibility Committee

In compliance with Section 135 of the Companies Act, 2013, the Board has constituted the "Corporate Social Responsibility Committee" ('CSR Committee').

The terms of reference of CSR Committee includes formulating and recommending to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013, recommend the amount of expenditure to be incurred on the CSR activities, provide guidance on various CSR activities to be undertaken by the Company and monitor the CSR Policy of the Company from time to time.

During the year under review, no CSR Committee meeting was held. However, a circular resolution was passed by the committee on March 29, 2019, approving the CSR expenditure for the F.Y. 2018-19.

The composition of Corporate Social Responsibility Committee for the year 2018-19 is as under:

S. No.	Name	Designation & Category
1	Mr. Sudhir Joshi	Chairman, Independent Director
2	Mr. Vish Tadimety	Member, Non-Independent Director
3	Dr. N.L. Sarda	Member, Independent Director
4	Mr. Ramasubramanian Sankaran	Member, Non-Independent Director

A Report on CSR is provided as an **Annexure VI** to Board's Report.

4. General Body Meetings**i. Location and time, where last three AGMs were held :**

Year	Venue	Date	Time	Special Resolutions passed
2015-16	'CyberTech House' Plot No. B-63/64/65 Road No. 21/34, J. B. Sawant Marg, MIDC, Wagle Estate, Thane (West)-400604	September 30, 2016	04.30 p.m.	(1) Creation of Charge /Mortgage/Pledge on assets of the Company. (2) Authorization to the Board to borrow monies under Section 180(1)(c) of the Companies Act, 2013. (3) Approval for Qualified Institutional Placement
2016-17	'CyberTech House' Plot No. B-63/64/65 Road No. 21/34, J. B. Sawant Marg, MIDC, Wagle Estate, Thane (West)-400604	September 28, 2017	04.00 p.m.	Ratification of the Remuneration paid to Mr. Ramasubramanian Sankaran, Executive Director of the Company.



2017-18	'CyberTech House' Plot No. B-63/64/65 Road No. 21/34, J. B. Sawant Marg, MIDC, Wagle Estate, Thane (West)-400604	September 28, 2018	04.00 p.m.	(1) To re-appoint Mr. Ramasubramanian Sankaran (DIN:05350841) as an Executive Director of the Company and to approve his remuneration. (2) To increase the aggregate limit of investment by Foreign Portfolio Investors in the Share Capital of the Company. (3) To increase aggregate limit of investment by Non Resident Indians/OCI in Share Capital of the Company.
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ii. Details of special resolution passed through postal ballot:

During the year under review, no resolution was passed through Postal Ballot.

5 Disclosures

1. Statutory Compliance, Penalties/Strictures

The Company has complied with rules and regulations prescribed by the Stock Exchanges, Securities and Exchange Board of India and any other statutory authority relating to capital market.

No penalty or stricture has been imposed on the Company by the Stock Exchanges or SEBI on any matter related to the capital markets, during the last three years.

2. Related Party Transactions

The Company has adopted the Related Party Transaction Policy which is available on the website of the Company www.cybertech.com and can be accessed at weblink: <http://www.cybertech.com/financialReports/corporatePolicies/Related%20Party%20Transactions%20Policy.pdf>

The details of all significant transactions with related parties are periodically placed before the Audit Committee. The Company has entered into related party transactions as set out in Note No. 32 to accounts, which do not have potential conflict with the interests of the Company at large.

3. Subsidiary

During the year under review, the Company has material subsidiary as per the criteria specified in SEBI (LODR) Regulations, 2015. Further, the Company has adopted a policy on material subsidiaries and the same is uploaded on the website of the Company which can be accessed through the web-link:

<http://www.cybertech.com/financialReports/corporatePolicies/Policy%20on%20Material%20Subsidiaries.pdf>

4. Vigil Mechanism / Whistle Blower Policy

In line with the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, the Company has formulated Vigil Mechanism Policy to report concerns about unethical behaviour, actual or suspected incidents of fraud or violation of Code of Conduct that could adversely impact the Company's operations, business performance and / or reputation, in a secure and confidential manner. The Company has also provided the complainant direct access to the Chairman of the Audit Committee. Further, no personnel have been denied access to the Audit Committee.

The Vigil Mechanism Policy has been placed on the website of the Company and web-link thereto is:

<http://www.cybertech.com/financialReports/corporatePolicies/Vigil%20Mechanism%20Policy.pdf>

5. Compliance with Mandatory and Non-Mandatory Requirements

The Company has complied with all the mandatory requirements of SEBI (LODR) Regulations, 2015 to the extent applicable.

Non-Mandatory Requirements:

Particulars		Status
A.	The Board Non-Executive Chairperson may be entitled to maintain a Chairperson's office at the listed entity's expense and also allowed reimbursement of expenses incurred in performance of his duties.	Complied
B.	Shareholder Right A Half- Yearly declaration of financial performance including summary of significant events in last six-months, may be sent to each household of shareholders .	Complied, as the Company's half-yearly results are published in leading English and Marathi newspaper, and also uploaded on the website of the Company, hence, the same need not be sent to the shareholders of the Company.

C.	Modified opinion in audit report The listed entity may move towards a regime of financial statements with unmodified opinion.	Complied, there are no qualification the Audit Report.
D.	Separate posts of chairperson and chief executive officer The listed entity may appoint separate persons to the posts of chairperson and Managing Director or chief executive officer.	Complied, as the Chairperson is Non-executive and as there is no chief executive officer in the Company. The Company has only one Executive Director.
E.	Reporting of internal auditor The internal auditor may report directly to the audit committee.	Complied, The Internal Auditors of the Company are present in each Audit Committee Meeting and directly interacts with Audit Committee Members.

6. Non-Compliance of any requirement of Corporate Governance Report of sub-paras (2) to (10) of schedule V of the SEBI (LODR) Regulations, 2015.

There are no non-compliances of any requirements of Corporate Governance Report of sub-paras (2) to (10) mentioned in schedule V of the SEBI (LODR) Regulations, 2015.

7. The Company has complied the Compliance of Corporate Governance Requirements specified in Regulation 17 to 27 to the extent applicable and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (LODR) Regulations, 2015.

8. Disclosure of Accounting Treatment

The financial statements are prepared on accrual basis of accounting in accordance with the provisions of the Companies Act, 2013 (the Act) and comply in material aspects with the accounting standards, notified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015.

9. Code of Conduct for Directors and Senior Management Team

The Company has adopted a Code of Conduct applicable to all its Directors and members of the Senior Management which is in consonance with the requirements of SEBI (LODR) Regulations, 2015. The said code is available on the website of the Company and can be accessed through web-link:<https://www.cybertech.com/financialReports/corporatePolicies/Code%20of%20Conduct%20for%20Board%20and%20Senior%20Management.pdf>

All the Board Members and Senior Management Personnel have affirmed compliance with Code of Conduct and Code of Conduct to Regulate Monitor and Report Trading by Insiders of the Company for the year ended March 31, 2019. A declaration to this effect signed by Mr. Ramasubramanian S., Executive Director of the Company forms part of this Report. (*Annexure I*).

10. CEO/CFO Certification

In terms of requirement of Regulation 17(8) of SEBI (LODR) Regulations, 2015, Mr. Praveen Agarwal, Chief Financial Officer has furnished certificate to the Board in the prescribed format. The certificate has been reviewed by the Audit Committee and taken on record by the Board at the meeting held on May 09, 2019. The Certificate is attached as *Annexure II*.

11. Directors' Responsibility Statement

The draft Directors' Responsibility Statement signed by Executive Director on behalf of the Board dated August 12, 2019 which is included in the Board's Report for F.Y.2018-19, has been reviewed by the Audit Committee at its meeting held on August 12, 2019.

12. Reconciliation of Share Capital Audit Report

In terms of the provisions of Clause 55A of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, Reconciliation of Share Capital Audit was carried out on a quarterly basis by M/s. Anant Amdekar & Associates, Company Secretaries, Thane for F.Y. 2018-19 towards reconciliation of the total admitted capital with National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") and those held in physical form with the total issued, paid up and listed capital of the Company. The audit report, inter alia, confirms that the Register of Members is duly updated and that demat/remat requests were confirmed within stipulated time etc. The said report is also submitted to BSE Limited and National Stock Exchange of India Limited.

13. Risk Management Policy

The Company has in place Risk Management System which takes care of risk identification, assessment and mitigation. There are no risks which in the opinion of the Board threaten the existence of the Company. Risk factors and its mitigation are covered extensively in the Management Discussion and Analysis Report forming part of this Board's Report.

14. Code for Prevention of Insider Trading

The Company has adopted a code of conduct to regulate, monitor and report trading by insiders for prevention of Insider Trading in the shares of the Company. The code, inter-alia, prohibits purchase /sale of shares of the Company by Directors and designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is close.



15. Means of Communication

- **Website:** The Company's website www.cybertech.com under investors Tab contains inter alia the updated information pertaining to quarterly, half-yearly and annual financial results, annual reports, official press releases, the investor/ analysts presentations, details of investor calls and meets, shareholding pattern, important announcements. The said information is available in a user friendly and downloadable form.
- **Financial Results:** The quarterly, half yearly and annual financial results of the Company are submitted to BSE Limited and National Stock Exchange of India Limited after approval of the Board of Directors of the Company. The results of the Company are published in one English daily newspaper and one Marathi newspaper within 48 hours of approval thereof.
- **Chairman's Communiqué:** The Chairman's Letter is distributed to shareholders at Annual General Meeting as a part of Annual Report. The document is also put on the Company's website and can be accessed at <https://www.cybertech.com/investors/overview.aspx>
- **Annual Report:** Annual Report containing inter alia Standalone Financial Statements, Consolidated Financial Statements, Board's Report, Auditors' Report, Corporate Governance Report is circulated to the members and others entitled thereto and is also available on website of the Company.
- **Designated Exclusive Email ID:** The Company has designated Email Id cssl.investors@cybertech.com exclusively for shareholder/investor servicing.
- **Reminder to Investors:** Reminders for unclaimed shares and unpaid dividend were sent to the shareholders as per our records with RTA during the year under review.
- **SCORES (SEBI Complaints Redressal System):** SEBI has commenced processing of investor complaints in a centralized web based complaints redress system i.e. SCORES. The Company supported SCORES by using it as a platform for communication between SEBI and the Company.
- **Uploading on NSE Electronic Application Processing System (NEAPS) & BSE Listing Centre:** The quarterly results, quarterly compliances and all other corporate communications to the Stock Exchanges are filed electronically on NEAPS for NSE and on BSE Listing Centre for BSE.
- **Email:** The financial results of the Company along with press release and investor presentation, if any, are sent by email to the shareholders who have registered their email id with the Company or Depository Participant.

16. General Shareholders' information:

a. Annual General Meeting for FY 2018-19

Date : Friday, September 27, 2019

Time : 04.00 P.M.

Venue : CyberTech House, Plot No. B-63/64/65, Road No. 21/34, J. B. Sawant Marg, MIDC, Wagle Estate, Thane (W)-400604

As required under Regulation 36(3) of the SEBI (LODR) Regulations, 2015, particulars of Directors seeking appointment/re-appointment at the ensuing AGM are given in the Notice of the AGM to be held on Friday, September 27, 2019.

b. Financial Calendar

Year ending : March 31

AGM in : September

Dividend Payment : The dividend, if declared, will be paid on or before October 25, 2019

c. Date of Book Closure / Record Date : September 21, 2019 to September 27, 2019 (both days inclusive)

d. Financial Calendar (Tentative)

: Results for the Quarter ending
June 30, 2019 – Second week of August, 2019
September 30, 2019 – Second week of November, 2019
December 31, 2019 – Second week of February, 2020
March 31, 2020 – Second week of May, 2020
Annual General Meeting – September, 2020

e. Listing on Stock Exchanges

: **National Stock Exchange of India Limited ("NSE")**
Exchange Plaza, C-1, Block G, Bandra Kurla Complex,
Bandra (East), Mumbai 400 051

BSE Limited

P. J. Towers, Dalal Street Fort, Mumbai 400 001

Annual Listing Fees have been paid to both stock exchanges for the year 2018-19.

The Company has paid the annual Custody Fees to Central Depository Services (India) Limited and National Securities Depository Limited for the year 2018-19

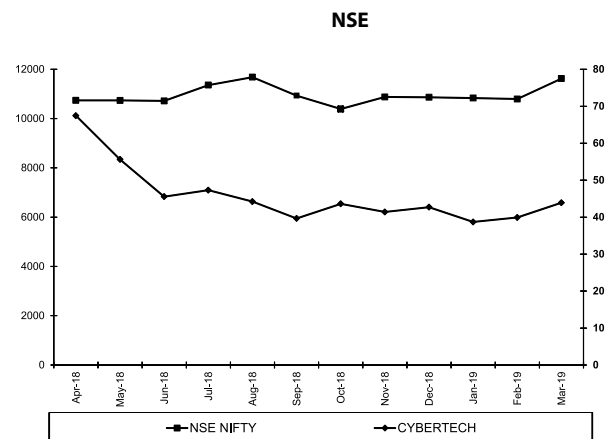
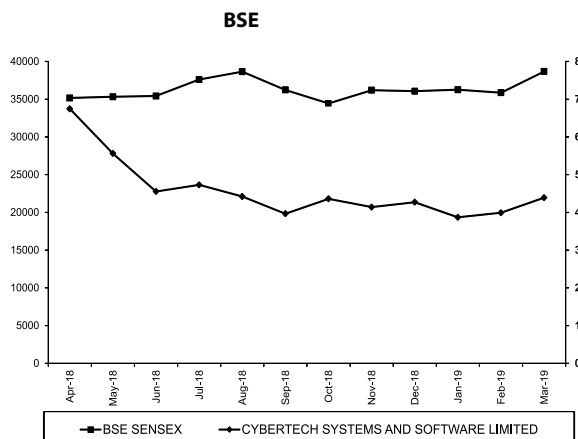
f. Scrip Code/ Symbol : NSE- CYBERTECH
BSE- 532173

g. Market Price Data : The monthly high and low market price of shares traded on BSE and NSE for F.Y. 2018-19 is as follows:

Month	BSE		NSE	
	High	Low	High	Low
April 2018	72.45	57.95	72.60	57.50
May 2018	70.65	48.15	70.50	49.15
June 2018	57.20	44.55	57.90	44.75
July 2018	52.85	43.80	52.85	43.50
August 2018	50.00	43.00	50.35	42.95
September 2018	47.30	39.10	47.05	39.00
October 2018	48.05	37.00	47.85	36.25
November 2018	49.00	40.85	48.85	41.35
December 2018	45.25	40.25	44.50	40.00
January 2019	44.45	37.45	43.90	37.80
February 2019	43.95	32.80	43.00	33.05
March 2019	48.00	39.20	48.30	38.30

[Source: This information is compiled from the data available on the websites of BSE and NSE]

h. Performance in comparison of broad based indices such as BSE-Sensex, CRISIL, Index, etc. :



i. Registrar and Transfer Agents

Link Intime India Private Limited
C-101, 247 Park, LBS Marg, Vikhroli (W), Mumbai – 400 083
T +91 22 49186000 | F +91 22 49186060
E mail: mumbai@linkintime.co.in

j. Share transfer system:

The share transfer activities are carried out by our Registrar & Transfer Agent, the details of which are given above. Shares sent for transfer in physical form are generally registered and returned within a period of 15 days from the date of lodgement and Demat requests are normally confirmed within an average period of 15 days, provided the documents are clear and complete in all respects.

The Company obtains from a Company Secretary in Practice half-yearly certificate to the effect that all certificates have been issued within thirty days of the date of lodgment of the transfer, sub-division, consolidation and renewal as required under Regulation 40(9) of the SEBI (LODR) Regulations, 2015 and files a copy of the said certificate with Stock Exchanges.

Effective April 1, 2019, transfer of shares in physical form has ceased. Shareholders who had lodged their request for transfer prior to March 31, 2019 and, have received the same under objection can re-lodge the transfer request after rectification of the documents. Request for transmission of shares and dematerialization of shares will continue to be accepted.

Pursuant to the SEBI circular no. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and SEBI Notification SEBI/LAD-NRO /GN/ 2018/49 dated November 30, 2018, amendment to Regulation 40 (1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 was made effective from April 1, 2019. As per the said Amendment, the shareholders of any listed entity who are holding securities in physical form, shall have to get their securities dematerialized in case they wish to transfer them. This amendment is not applicable to transmission and transposition of securities.

Hence, the shareholders of the Company are requested to get their securities dematerialized in order to receive the benefits linked to dematerialized securities.

k. Transfer of Unpaid / Unclaimed Amounts and Shares to Investor Education and Protection Fund:

Pursuant to the provisions of the Companies Act, 2013, ("the Act") dividend which remains unpaid or unclaimed for a period of seven (7) years from the date of its transfer to unpaid dividend account, is required to be transferred by the Company to the Investor Education and Protection Fund ("IEPF"), established by the Central Government under the provisions of the Act. Members are advised to claim their unpaid dividend lying in the unpaid dividend account of the Company before the due date.

As required under Section 124 of the Act, the Unclaimed Dividend amount aggregating to ₹3.16 lakhs pertaining to the financial year ended on March 31, 2011 lying with the Company for a period of seven years were transferred during the financial year 2018-19, to the Investor Education and Protection Fund established by the Central Government.

Further, the Ministry of Corporate Affairs has notified new rules namely "Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016" which have come into force from September 7, 2016. The said Rules, amongst other matters, contain provisions for transfer of all shares in respect of which dividend has not been paid or claimed for seven (7) consecutive years in the name of IEPF Suspense Account. The details of unpaid /unclaimed dividend and number of shares liable to be transferred are available on our website <https://www.cybertech.com/investors/overview.aspx>

Members are requested to note that no claim shall lie against the Company in respect of any dividend amount which was unpaid / unclaimed for a period of seven (7) years and transferred to the IEPF. However, members may claim from the IEPF authority, both unclaimed dividend amount and the shares transferred to IEPF Suspense Account as per the applicable provisions of the Act and Rules made thereunder.

According to the provisions of Section 124 of the Companies Act, 2013, 10,573 equity shares, in respect of which dividend had not been claimed by the members of the Company for seven consecutive years or more, have been transferred by the Company to the Investor Education and Protection Fund (IEPF) during the financial year 2018-2019. Details of shares transferred have been uploaded on the website of IEPF as well as the Company.

The dividend for the financial year ended March 31, 2012 which remains unclaimed for a period of seven years, becomes due for transfer on September 30, 2019 to the IEPF. Members who have not claimed their dividends are requested to send their claim to the Registrar & Transfer Agent of the Company, along with relevant documents at the earliest.

i. Distribution of shareholding :

Summary of Shareholding Pattern as on March 31, 2019:

Category of Shareholder	Number of Shareholders	% of Shareholders	Number of Shares held	% of Shareholding
Promoter & Promoter Group	08	0.07	1,03,41,881	37.59
Public	10,778	99.93	1,71,73,712	62.41
Total	10,786	100.00	2,75,15,593	100.00

Distribution of Shareholding as on March 31, 2019:

Category of Shares	Number of Shareholders	% of Shareholders	Number of Shares held	% of Shareholding
1 – 500	8863	80.2663	1351469	4.91
501 - 1000	990	8.9658	814809	2.96
1001 - 2000	523	4.7365	791920	2.88
2001 - 3000	171	1.5486	428240	1.56
3001 - 4000	109	0.9871	385988	1.40
4001 - 5000	74	0.6702	349829	1.27
5001 - 10000	128	1.1592	901078	3.27
10001 and Above	184	1.6664	22492260	81.74
Total	11042	100.0000	27515593	100.00

Top Ten Shareholders of the Company as on March 31, 2019:

S. No.	Name of the Shareholder	Number of equity shares held	Percentage of Holding (%)
1	Vish Tadimety	5721141	20.79
2	Indotech Holdings LLC	3900000	14.17
3	Steven Jeske	2431433	8.84
4	Joseph Michael Vanek	1377000	5.00
5	Sukhada Tadimety	1121592	4.08
6	Prasad Rao Vellaturi	755153	2.74
7	Red Banyan Holdings LLC	650000	2.36
8	Ashok Kumar Jain	528271	1.92
9	Aparna V. Goud	259315	0.94
10	B. Thimmadevi Goud	255570	0.93

m. Bifurcation of shares held in physical and demat form as on March 31, 2019

Particulars	No. of Shares	Percentage (%)
Physical Segment	4620329	16.79
Demat Segment		
NSDL (A)	18242377	66.30
CDSL (B)	4652887	16.91
Total (A+B)	22895264	83.21
Total	27515593	100.000

Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is **INE214A01019**

n. Outstanding GDRs / ADRs / Warrants or any Convertible instruments, Conversion date and likely impact on equity: N.A.**o. Plant Locations :** Not applicable

p. Address for correspondence: Company Secretary and Compliance Officer
 CyberTech Systems and Software Limited
 'CyberTech House', Plot No. B-63/64/65
 Road No. 21/34, J. B. Sawant Marg, MIDC
 Wagle Estate, Thane (W)-400604

q. Disclosure with respect to demat suspense account / unclaimed suspense account:

The Company does not have any shares in demat suspense account / unclaimed suspense account.

r. During the year under review, the Company did not issue any debt instruments or fixed deposits or had undertaken any scheme or proposal involving mobilization of funds in India or abroad. Hence, the requirement of disclosure of credit ratings in respect of such debt instruments or fixed deposits or scheme or proposal are not applicable.

s. Fees paid to Statutory Auditors for F.Y. 2018-19:

Payments made to Bagaria & Co. LLP, Chartered Accountants, Statutory Auditors of the Company, for the Services rendered by them for the period April 01, 2018 to March 31, 2019 are as follows:

Particulars	Amount (₹)
Audit Fees	9,05,000
Certification and Other Services	1,95,000
Reimbursement of Expenses	51,110
Total	11,51,110

t. All the Directors of the Company have submitted a declaration stating that they are not debarred or disqualified by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority from being appointed or continuing as Directors of Companies. In this regard, Mr. Ved Prakash, Designated Partner of S. Anantha & Ved LLP, Company Secretaries, Mumbai (AAH-8229), has certified this fact in his separate certificate issued to the Company pursuant to the requirements of Schedule V to the SEBI (LODR) Regulations 2015, which is given as **Annexure III**



u. Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Number of complaints filed during the financial year	Nil
Number of complaints disposed off during the financial year	Nil
Number of complaints pending as on end of the financial year	Nil

Corporate Governance Certificate for F.Y. 2018-19 issued by Mr. Ved Prakash, Designated Partner of S. Anantha & Ved LLP, Company Secretaries, Mumbai (AAH-8229) to the Company pursuant to the requirements of Schedule V to the SEBI (LODR) Regulations 2015 is annexed as Annexure IV of this report.

For CyberTech Systems and Software Ltd.

Sd/-

Vish Tadimety

Chairman

DIN: 00008106

Place: Trevoze PA, US

Date: August 12, 2019

ANNEXURE I

Compliance with Code of Conduct

Pursuant to the Schedule V (Part D) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I, Ramasubramanian S. (DIN: 05350841), Executive Director of CyberTech Systems and Software Limited ("the Company") hereby confirm that the Company has obtained from all the members of the Board and Senior Management Personnel, affirmation(s) that they have complied with the 'Code of Conduct for Board of Directors and Senior Management' and 'the Code of Conduct to Regulate Monitor and Report Trading by Insiders' for the financial year ended March 31, 2019.

**For and on behalf of the Board of Directors
CyberTech Systems and Software Limited**

Sd/-

**Ramasubramanian S.
DIN: 05350841
Executive Director**

**Place : Thane
Date : May 09, 2019**

ANNEXURE II

**C. F. O. Certification under Regulation 17 (8) of SEBI
(Listing Obligations and Disclosure Requirements) Regulation, 2015**

I, Praveen Agarwal, Chief Financial Officer of CyberTech Systems and Software Ltd. pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and to the best of our knowledge and belief hereby certify:

- (a) I have reviewed the financial statements and the cash flow statement for the year ended on March 31, 2019 and based on my knowledge and belief, I state that:
 - (i) These statements do not contain any materially untrue statement or omit any material fact or contain any statement that might be misleading;
 - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws, and regulations.
- (b) I further state that to the best of my knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal, or violative of the Company's code of conduct.
- (c) I accept the responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps have been taken or propose to taken to rectify these deficiencies.
- (d) I have indicated, based on my most recent evaluation, wherever applicable, to the Auditors and Audit Committee:
 - (i) Significant changes, if any, in the internal control over financial reporting during the year;
 - (ii) Significant changes, if any, in the accounting policies made during the year and that the same has been disclosed in the notes to the financial statements; and
 - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

For CyberTech Systems and Software Ltd.

Sd/-

**Praveen Agarwal
Chief Financial Officer**

**Place : Thane
Date : May 09, 2019**

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

*(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)*

To
 The Members of
CyberTech Systems and Software Limited
 CyberTech House, B-63-64-65 MIDC
 Wagale Estate, J.B. Sawant Marg
 Thane – 400604

We have examined the relevant registers, records, forms, returns and disclosures relating to the Directors of CyberTech Systems and Software Limited having CIN:L72100MH1995PLC084788 and having Registered Office at CyberTech House, B-63-64-65 MIDC Wagale Estate, J.B. Sawant Marg Thane – 400604 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub Clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2019 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Directors	DIN	Date of original appointment in Company
1.	Mr. Vish Tadimety	00008106	May 23, 1995
2.	Mr. Nandlal Laxminarayan Sarda	00147782	September 28, 2012
3.	Mr. Sudhir Moreswar Joshi	00349597	September 30, 2010
4.	Mr. Marezban Padam Bharucha	00361911	September 30, 2011
5.	Mr. Steven Lloyd Jeske	01964333	December 22, 2007
6.	Mr. Shreepad Karmalkar	03273896	September 30, 2010
7.	Mr. Ramasubramanian Sankaran	05350841	August 04, 2015
8.	Mr. Amogha Tadimety	06952042	September 30, 2014
9.	Ms. Angela Cook Wilcox	08068715	February 13, 2018

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these, based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For S. Anantha & Ved LLP
Company Secretaries

Sd/-

Ved Prakash
Designated Partner
ACS: 36837
CP No.: 16986

Place: Mumbai
Date: May 09, 2019

Corporate Governance Certificate

To
The Members of
CyberTech Systems and Software Limited
CyberTech House B-63-64-65
MIDC Wagle Estate J.B. Sawant Marg
Thane – 400 604

We have examined the compliance of conditions of Corporate Governance by CyberTech Systems and Software Limited (“Company”) stipulated in Regulations 17-27 and clauses (b) to (i) of Regulation 46 (2) and para C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’) for the year 1st April, 2018 to 31st March, 2019.

We have conducted our examination on the basis of the relevant records and documents maintained by the Company and furnished to us for the purpose of the review and the information and explanations given to us by the Company during the course of such review.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to 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.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has in all material respect complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations, as applicable.

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 S. Anantha & Ved LLP
Company Secretaries

Sd/-
Ved Prakash
Membership No.36837
CP No.: 16986

Place: Mumbai
Date: May 09, 2019



CyberTech

Systems and Software Limited

**CYBERTECH SYSTEMS AND SOFTWARE LIMITED
STANDALONE
FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR 2018-19**

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CYBERTECH SYSTEMS AND SOFTWARE LIMITED

Opinion

We have audited the accompanying standalone financial statements of CYBERTECH SYSTEMS AND SOFTWARE LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred as "Standalone financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013 (the Act) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2019, and its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matters	Auditor's response
1	<p>Fair value assessment of trade receivables and unbilled revenue</p> <p>Trade receivables and unbilled revenue comprise a significant portion of the Company's liquid assets. As indicated in Note 11 and Note 15 of the standalone financial statements, 16.92 % and 41.16 % of the trade receivables and unbilled revenue respectively are past due but not impaired.</p> <p>The most significant portion of trade receivables and unbilled revenue over 90 days comprises large customers being city municipal corporations.</p> <p>Accordingly, the estimation of the allowance for trade receivables is a significant judgement area and is therefore considered a key audit matter.</p>	<p>Audit procedure performed :-</p> <ul style="list-style-type: none"> - We have evaluated and tested the Company's processes for trade receivables and unbilled revenue, including the provisioning and collection processes. - We tested, enquired and assessed the unbilled revenue as per the terms of the contract and its billing in likely future. - We assessed the validity of material long outstanding receivables by requesting third-party confirmations of amounts owed. We also considered payments received subsequent to year-end, past payment history and unusual patterns to identify potentially impaired balances. - Where there were indicators that trade receivables were unlikely to be collected within contracted payment terms, we assessed the adequacy of the allowances for impairment of trade receivables and unbilled revenue. - We were satisfied that the Company's trade receivables and unbilled revenue are fairly valued and adequately provided against where doubt exists. We further considered whether the provisions were misstated and concluded that they were appropriate in all material respects, and disclosures related to trade receivable and unbilled revenue in the standalone financial statements are appropriate.



2	<p>Capitalisation of software (Intangible assets under development) :-</p> <p>Given the Company's continued development of its Software, internally generally intangible assets and the size of the capitalised cost, balance of ₹ 656.27 lakh as at 31st March, 2019, of which ₹ 396.44 lakh has been capitalised during the year, we continue to focus on this area. Software can have complex development cycles, often over many phases, spanning three to four years, or more. New technology also brings a risk of impairment.</p>	<p>Audit procedure performed :-</p> <ul style="list-style-type: none"> - We tested internal financial controls, including IT controls, over the approval, development of new software and management's assessment of impairment. - We assessed the costs capitalised which meets the requirements of IAS 38 'Intangible Assets'.
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Information Other than the Standalone Financial Statements and Auditor's report thereon

The Company's Board of Directors is responsible for the preparation of other information. The Other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to the Board report, Corporate Governance report and Shareholder's information, but does not include the standalone financial statement and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on, the work we have performed, we conclude that there is a material misstatement of this other information; we required to report that fact. We have nothing to report in this regard.

Management responsibilities for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that individually or in aggregate makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) 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 and records.
- (c) The Balance sheet, the Statement of Profit & Loss (including other comprehensive income), Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Account) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on records by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a Director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure "B".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

- (h) With respect to the other matters to be included in the Auditor's report in accordance with the rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:



CyberTech

Systems and Software Limited

- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements. Refer Note No.- 32 to the standalone financial statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For BAGARIA & CO. LLP

Chartered Accountants

Firm Registration No: 113447W/W-10019

Vinay Somani

Partner

Membership No. 143503

Place : Mumbai

Date : May 09, 2019

ANNEXURE REFERRED TO IN PARAGRAPH "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT TO THE MEMBERS OF THE COMPANY FOR THE YEAR ENDED 31st MARCH, 2019

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

1. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment (fixed assets).
- b) The Company has regular programme of physical verification of its property, plant and equipment (fixed assets) by which all property, plant and equipment (fixed assets) are verified in a phased manner, over a period of three years. In our opinion, this periodicity of the physical verification is reasonable having regard to the size of the Company and nature of its fixed assets. Pursuant to the programme, certain property, plant and equipment (fixed assets) were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- c) Based on the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
2. The Company being a service Company, primarily rendering information technology services, it does not hold any physical inventories. Accordingly, the provisions of clause 3(ii) of the Order are not applicable to the Company.
3. The Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clause 3(iii) of the Order are not applicable to the Company.
4. The Company has not granted any loans or provided guarantees or security during the year and therefore reporting of compliance of section 185 and 186 of the Act does not arise. The Company has complied with the provisions of Section 186 of the Act with respect to the investment made during the year.
5. No deposits within the meaning of directives issued by Reserve Bank of India and Sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder have been accepted by the Company.
6. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of Section 148 of the Act in respect of Company's services. Accordingly, the provisions of clause 3(vi) of the Orders are not applicable to the Company.
7. a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income- tax, sales-tax, goods and service tax, service tax, duty of customs, duty of excise, value added tax and other statutory dues applicable to the Company with appropriate authorities. No undisputed amounts in respect of the aforesaid statutory dues were outstanding as at the last day of the financial year for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no dues of income tax, Goods and service tax, duty of customs, duty of excise, value added tax and Sales tax which have not been deposited on account of any dispute.
8. The Company has not defaulted in repayment of loans or borrowings to banks during the year. The Company has not taken any loans or borrowings from financial institution, government or issued any debentures during the year.
9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) or term loan during the year. Therefore, the provisions of clause 3 (ix) of the Order are not applicable to the Company.
10. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud by or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of such case by the management.
11. According to the information and explanations given to us and based on examination of records of the Company, managerial remuneration has been paid or provided for during the year is in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V of the Act.
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.



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13. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, all transactions with the related party are in compliance with Section 177 and 188 of the Act and the details have been disclosed as required by the applicable Ind AS in Note 33 to the Standalone Financial Statements.
14. During the year, the Company has not made preferential allotment or private placement of shares or fully or partially convertible debentures. Therefore, the provisions of clause 3(xiv) of the Order are not applicable to the Company.
15. Based on the information and explanations given to us, the Company has not entered into any non-cash transactions prescribed under Section 192 of the Act with directors or persons connected with them during the year. Therefore, the provisions of clause 3(xv) of the Order are not applicable to the Company.
16. In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Therefore, the provisions of clause 3(xvi) of the Order are not applicable to the Company.

For BAGARIA & CO. LLP

Chartered Accountants

Firm Registration No: 113447W/W-10019

Vinay Somani

Partner

Membership No. 143503

Place : Mumbai

Date : May 09, 2019

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Act

We have audited the internal financial controls over financial reporting of **CYBERTECH SYSTEMS AND SOFTWARE LIMITED** ("the Company") as of 31st March, 2019 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has broadly, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2019, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For BAGARIA & CO. LLP

Chartered Accountants

Firm Registration No: 113447W/W-10019

Vinay Somani

Partner

Membership No. 143503

Place : Mumbai

Date : May 09, 2019



Standalone Balance Sheet as at March 31, 2019

(₹ in Lakhs)

Particulars	Note	As at March 31, 2019	As at March 31, 2018
I. ASSETS			
1 Non-current assets			
Property, plant and equipment	2	3,023.98	2,812.49
Capital work-in-progress	3	256.64	750.72
Investment Property	4	892.37	788.97
Intangible assets	5	66.41	216.56
Intangible assets under development	6	656.27	259.83
Financial Assets			
Investments	7	2,627.74	2,333.85
Other financial assets	8	24.33	20.41
Other non - current assets	9	20.70	11.82
Total non-current assets		7,568.44	7,194.65
2 Current assets			
Financial assets			
Investments	10	1,272.81	617.30
Trade receivables	11	3,171.29	3,194.11
Cash and cash equivalents	12	313.81	423.41
Bank balances other than above	13	66.33	113.67
Loans	14	3.20	0.56
Other financial assets	15	524.13	492.17
Other current assets	16	119.33	92.83
Total current assets		5,470.90	4,934.05
Total assets		13,039.34	12,128.70
II EQUITY AND LIABILITIES			
1 Equity			
Equity share capital	17	2,751.56	2,741.46
Other equity	18	6,163.79	5,921.72
Total equity		8,915.35	8,663.18
2 Liabilities			
A Non-current liabilities			
Financial liabilities			
Other financial liabilities	19a	244.21	138.43
Deferred tax liabilities (net)	40	172.16	211.81
Total non current liabilities		416.37	350.24
B Current liabilities			
Financial liabilities			
Borrowings	20	1,783.71	1,092.54
Trade payables	21		
-Total outstanding dues of Micro enterprises and small enterprises		2.92	-
-Total outstanding dues of creditors other than micro enterprises and small enterprises		551.24	633.83
Other financial liabilities	19b	31.58	93.61
Other current liabilities	22	114.33	120.99
Provisions	23	224.46	195.20
Current tax liabilities (net)	24	999.38	979.11
Total current liabilities		3,707.62	3,115.28
Total equity and liabilities		13,039.34	12,128.70
Significant Accounting Policies	1B		

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date

For BAGARIA & CO. LLP

Chartered Accountants

Firm Registration Number - 113447W/W-10019

Vinay Somani

Partner

M. No. 143503

Place: Mumbai

Date: May 09, 2019

For and on behalf of the Board of Directors

Sudhir Joshi

Director

DIN: 00349597

Praveen Agarwal

Chief Financial Officer

Ramasubramanian Sankaran

Executive Director

DIN: 05350841

Sarita Leelaramani

Company Secretary

Standalone Statement of Profit and Loss for the year ended March 31, 2019

(₹ in Lakhs)

Particulars	Note	For the year ended March 31, 2019	For the year ended March 31, 2018
I Revenue from Operations	25	5,382.31	5,106.74
II Other Income	26	631.78	814.07
III Total Income (I + II)		6,014.09	5,920.81
IV Expenses			
Cost of hardware/software package for service delivery and outsourced project cost		267.12	511.87
Employee benefits expense	27	3,512.25	3,322.98
Finance costs	28	109.08	186.95
Depreciation and amortisation expense	29	472.10	459.35
Other expenses	30	903.96	1,165.66
Total expenses (IV)		5,264.51	5,646.81
V Profit before tax (III - IV)		749.58	274.00
VI Tax expense			
Current tax		230.00	160.00
Deferred tax (credit)		(35.00)	(73.51)
Tax adjustments for earlier years		3.18	(8.44)
		198.18	78.05
VII Profit for the year (V - VI)		551.40	195.95
VIII Other Comprehensive Income			
Items that will not be reclassified to profit or loss (Gain/(Loss))			
Remeasurements of net defined benefit plans		(16.71)	(2.53)
Income tax relating to items that will not be reclassified to profit or loss		4.64	0.69
Other Comprehensive Income /(Loss) for the year (VIII)		(12.07)	(1.84)
IX Total Comprehensive Income for the year (VII - VIII)		539.33	194.11
X Earnings per equity share of ₹ 10 each:			
Basic	31	2.01	0.72
Diluted	31	1.99	0.70
Significant Accounting Policies	1B		
The accompanying notes are an integral part of the standalone financial statements.			

As per our report of even date

For BAGARIA & CO. LLP

Chartered Accountants

Firm Registration Number - 113447W/W-10019

Vinay Somani

Partner

M. No. 143503

Place: Mumbai

Date: May 09, 2019

For and on behalf of the Board of Directors

Sudhir Joshi

Director

DIN: 00349597

Praveen Agarwal

Chief Financial Officer

Ramasubramanian Sankaran

Executive Director

DIN: 05350841

Sarita Leelaramani

Company Secretary

Standalone Statement of changes in equity for the year ended March 31, 2019

(A) Equity Share Capital

(₹ in Lakhs)	
Particulars	Amount
Balance as at March 31, 2017	2,707.83
Changes in share capital during the year	33.63
Balance as at March 31, 2018	2,741.46
Changes in share capital during the year	10.10
Balance as at March 31, 2019	2,751.56

(B) Other Equity

(₹ in Lakhs)							
Particulars	Capital Reserve	Money received against share warrants	Securities Premium	Equity Settled Employee Benefits Reserve	Retained Earnings	Other comprehensive income {Other actuarial gains/(losses)}	Total
Balance as at March 31, 2017	-	167.50	1,686.85	111.33	4,043.87	(10.37)	5,999.18
Received during the year on issue of shares under ESOP	-	-	20.90	-	-	-	20.90
Profit for the year	-	-	-	-	195.95	-	195.95
Other comprehensive income for the year	-	-	-	-	-	(1.84)	(1.84)
Employee share based payment	-	-	-	37.49	-	-	37.49
Dividend paid (including dividend distribution tax of ₹ 55.81 Lakhs)	-	-	-	-	(329.96)	-	(329.96)
Balance as at March 31, 2018	-	167.50	1,707.75	148.82	3,909.86	(12.21)	5,921.72
Received during the year on issue of shares under ESOP	-	-	7.79	-	-	-	7.79
Profit for the year	-	-	-	-	551.40	-	551.40
Other comprehensive income for the year	-	-	-	-	-	(12.07)	(12.07)
Employee share based payment	-	-	-	26.67	-	-	26.67
Transferred to capital reserve on forfeiture of share warrants	167.50	(167.50)	-	-	-	-	-
Dividend paid (including dividend distribution tax of ₹ 56.56 Lakhs)	-	-	-	-	(331.72)	-	(331.72)
Balance as at March 31, 2019	167.50	-	1,715.54	175.49	4,129.54	(24.28)	6,163.79

Significant Accounting Policies

1B

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date

For BAGARIA & CO. LLP

Chartered Accountants
Firm Registration Number - 113447W/W-10019

Vinay Somani

Partner
M. No. 143503

Place : Mumbai
Date : May 09, 2019

For and on behalf of the Board of Directors

Sudhir Joshi

Director
DIN: 00349597

Praveen Agarwal
Chief Financial Officer

Ramasubramanian Sankaran

Executive Director
DIN: 05350841

Sarita Leelaramani
Company Secretary

Standalone Statement of Cash Flows for the year ended March 31, 2019

(₹ in Lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
A. Cash flow from operating activities		
Profit before tax	749.58	274.00
Adjustments to reconcile net profit to net cash provided by operating activities :		
Depreciation and amortisation expense	472.10	459.35
Unrealised foreign exchange gain	(3.92)	(16.53)
Loss on assets disposed / discarded (net)	3.10	20.89
Interest income	(3.84)	(37.68)
Finance Cost	109.08	186.95
Provision for doubtful receivables, deposits & expected credit losses	39.40	204.08
Sundry credit balances written back (net)	(2.25)	(8.00)
Employee share based payments	26.67	37.49
Profit on sale of investments in mutual fund	(6.71)	(8.15)
Gain on fair valutaion of Investments in Mutual funds	(94.37)	(95.77)
	539.26	742.63
Operating profit before working capital changes	1,288.84	1,016.63
Adjustments for:		
Increase in Trade receivables	(12.66)	(649.90)
Decrease/(Increase) in Loans, Other financial assets and Other assets	(30.65)	775.21
Increase in Trade payables, and other financial liabilities and other liabilities	26.39	98.92
	(16.92)	224.23
Cash generated from operations	1,271.92	1,240.86
Direct taxes paid (net)	(212.93)	(186.57)
Net cash generated from operating activities (A)	1,058.99	1,054.28
B. Cash flow from investing activities		
Purchase of property, plant & equipment (Including Capital work-in-progress)	(190.11)	(217.83)
Purchase of Intangible assets including cost incurred on intangible assets under development	(406.96)	(206.63)
Sale of property, plant & equipment	0.61	1.63
Purchase of investments	(1,038.68)	-
Sale of Investments	190.36	108.15
Interest received	7.93	32.57
Net cash flow used in investing activities (B)	(1,436.85)	(282.11)
C. Cash flow from financing activities		
Proceeds/(Repayments) from short-term borrowings (net) (Refer note 1)	691.17	96.09
Proceeds for equity issue under ESOP (including securities premium)	17.89	54.52
Money received/(Paid) against share warrants	-	(1.94)
Interest paid	(109.08)	(186.95)
Dividend and Dividend Tax paid thereon	(331.72)	(329.96)
Net cash flow from/(used) in financing activities (C)	268.26	(368.24)



Standalone Statement of Cash Flows for the year ended March 31, 2019

(₹ in Lakhs)

Net Increase in cash & cash equivalents (A + B + C)	(109.60)	403.93
Cash & cash equivalents - Opening	423.41	19.48
Cash & cash equivalents - Closing	313.81	423.41

Note 1

Changes in liability arising from financing activities	As at April 01, 2018	Cash Flows	As at March 31, 2019
Borrowings - Current (Refer note no. 20)	1,092.54	691.17	1,783.71

Significant Accounting Policies

1B

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date

For BAGARIA & CO. LLP

Chartered Accountants

Firm Registration Number - 113447W/W-10019

Vinay Somani

Partner

M. No. 143503

Place: Mumbai

Date: May 09, 2019

For and on behalf of the Board of Directors

Sudhir Joshi

Director

DIN: 00349597

Praveen Agarwal

Chief Financial Officer

Ramasubramanian Sankaran

Executive Director

DIN: 05350841

Sarita Leelaramani

Company Secretary

Notes to Standalone financial statements for the year ended March 31, 2019

'NOTE '1'

A. CORPORATE INFORMATION:

Cybertech Systems and Software Limited (the 'Company') was incorporated on January 19, 1995. Along with its subsidiaries in USA, the Company provides Information Technology services to customers primarily in USA and India with focus on next-generation geospatial, networking and enterprise IT solutions. The Company offers services that span across all major industries including government, education, utilities, public safety & homeland defence, technology, telecom, retail, healthcare, and manufacturing. The Company is focused on delivering its development and support projects on an offshore basis. The Company is a public limited company incorporated and domiciled in India and has its registered office in Thane, India. The Company has its primary listings on the BSE Limited and National Stock Exchange Limited in India.

B. SIGNIFICANT ACCOUNTING POLICIES:

(i) Basis of Preparation of Financial Statements:

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other related provisions of the Act.

The financial statements of the Company are prepared on the accrual basis of accounting and Historical cost convention except for the following material items that have been measured at fair value as required by the relevant Ind AS:

- (i) Certain financial assets and liabilities are measured at Fair value - Refer note no.1(B)(viii)
- (ii) Defined benefit employee plan - Refer note no.1(B)(xii)
- (iii) Derivative Financial instruments - Refer note no.1(B)(vii)

The accounting policies are applied consistently to all the periods presented in the financial statements. All assets and liabilities have been classified as current or non current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

The financial statements are presented in INR, the functional currency of the Company. All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

(ii) Use of Estimates and judgments:

The preparation of the financial statements requires the Management to make, judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. The recognition, measurement, classification or disclosure of an item or information in the financial statements is made relying on these estimates. The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the management and are based on historical experience and various other assumptions and factors (including expectations of future events) that the management believes to be reasonable under the existing circumstances. Actual results may differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

Critical accounting judgements and key source of estimation uncertainty

The Company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. The estimates and underlying assumptions are reviewed on an on-going basis.

- (a) Recognition and measurement of defined benefit obligations, key actuarial assumptions - Refer Note no. 1(B)(xii)
- (b) Estimation of current tax expenses and payable - Refer note no. 1(B)(xiii)

(iii) Property, plant and equipment (PPE)

Property, plant and equipment is stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable costs of bringing the asset to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure are included in the assets carrying amount or recognized as a separate asset, as appropriate only if it is probable that the future economic benefits associated with the item will flow to the Company and that the cost of the item can be reliably measured.

Notes to Standalone financial statements for the year ended March 31, 2019

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress".

(iv) Intangible assets

Intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

(v) Impairment

Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated depreciation) had no impairment loss been recognized for the asset in prior years.

(vi) Depreciation and Amortization:

(a) Property plant and equipment (PPE)

Depreciation is provided on a pro-rata basis on the straight line method based on estimated useful life prescribed under Schedule II to the Companies Act, 2013.

The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate.

(b) Intangible assets

The useful lives of intangible assets are assessed as either finite or indefinite. Finite-life intangible assets are amortised on a straight-line basis over the period of their expected useful lives.

The amortisation period and the amortisation method for finite life intangible assets is reviewed at each financial year end and adjusted prospectively, if appropriate. For indefinite life intangible assets, the assessment of indefinite life is reviewed annually to determine whether it continues, if not, it is impaired or changed prospectively based on revised estimates.

(vii) Financial Instruments:

Financial assets - Initial recognition:

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instruments. On initial recognition, a financial asset is recognised at fair value, in case of Financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost are recognised in the statement of profit and loss. In other cases, the transaction cost are attributed to the acquisition value of the financial asset.

Subsequent measurement:

Financial assets are subsequently classified as measured at:

- amortised cost
- fair value through profit & loss (FVTPL)
- fair value through other comprehensive income (FVTOCI)

The above classification is being determined considering the:

- (a) the entity's business model for managing the financial assets and
- (b) the contractual cash flow characteristics of the financial asset.

Financial assets are not reclassified subsequent to their recognition, except if and in the period the group changes its business model for managing financial assets.

(i) Measured at amortised cost:

Financial assets are subsequently measured at amortised cost, if these financial assets are held within a business module whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified date to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Notes to Standalone financial statements for the year ended March 31, 2019

(ii) Measured at fair value through other comprehensive income (FVTOCI):

Financial assets are measured at FVTOCI, if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.

(iii) Measured at fair value through profit or loss (FVTPL):

Financial assets other than equity instrument are measured at FVTPL unless it is measured at amortised cost or at FVTOCI on initial recognition. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised in the Statement of Profit and Loss.

Equity instruments:

On initial recognition, the Company can make an irrevocable election (on an instrument-by instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to Statement of Profit and Loss on disposal of the investments.

Dividends on these investments in equity instruments are recognised in Statement of Profit and Loss when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. Dividends recognised in Statement of Profit and Loss are included in the 'Other income'.

Impairment

The Company recognises a loss allowance for Expected Credit Losses (ECL) on financial assets that are measured at amortised cost and at FVOCI. The credit loss is difference between all contractual cash flows that are due to an entity in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. This is assessed on an individual or collective basis after considering all reasonable and supportable including that which is forward looking.

The Company's trade receivables or contract revenue receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall, being simplified approach for recognition of impairment loss allowance.

Under simplified approach, the Company does not track changes in credit risk. Rather it recognizes impairment loss allowance based on the lifetime ECL at each reporting date right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For financial assets other than trade receivables, the Company recognises 12-months expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. If, in a subsequent period, credit quality of the instrument improves such that there is no longer significant increase in credit risks since initial recognition, then the Company reverts to recognizing impairment loss allowance based on 12 months ECL. The impairment losses and reversals are recognised in Statement of Profit and Loss.

For equity instruments and financial assets measured at FVTPL, there is no requirement of impairment testing.

De-recognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers rights to receive cash flows from an asset, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement.

In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.



Notes to Standalone financial statements for the year ended March 31, 2019

Financial Liabilities

Initial Recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial liabilities are initially recognised at fair value net of transaction costs for all financial liabilities not carried at fair value through profit or loss.

The Company's financial liabilities includes trade and other payables, loans and borrowings including bank overdrafts.

Subsequent measurement

Financial liabilities measured at amortised cost are subsequently measured at using Effective Interest Rate (EIR) method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss

Loans & Borrowings:

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using EIR method. Gains and losses are recognized in profit & loss when the liabilities are derecognized as well as through EIR amortization process.

Financial Guarantee Contracts

Financial guarantee contracts issued by the Company are those contracts that requires a payment to be made or to reimburse the holder for a loss it incurs because the specified debtors fails to make payment when due in accordance with the term of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

Derivative financial instruments

The Company uses derivative financial instruments, such as forward foreign exchange contracts, to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value, with changes in fair value recognised in Statement of Profit and Loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(viii) Fair Value Measurement

The Company measures financial instruments, such as, derivatives, investments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- (a) In the principal market for the asset or liability, or
- (b) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- (i) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- (ii) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- (iii) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

Notes to Standalone financial statements for the year ended March 31, 2019

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above

(ix) Cash and Cash Equivalents:

Cash and Cash equivalents include cash and Cheque in hand, bank balances, demand deposits with banks and other short-term highly liquid investments that are readily convertible to known amounts of cash & which are subject to an insignificant risk of changes in value where original maturity is three months or less.

(x) Foreign Currency Transactions:

a) Initial Recognition

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss of the year.

b) Measurement of Foreign Currency Items at the Balance Sheet Date

Foreign currency monetary items of the Company are restated at the closing exchange rates. Non monetary items are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising out of these transactions are charged to the Statement of Profit and Loss.

(xi) Revenue Recognition:

The Company derives revenues primarily from information technology services comprising of software development, consulting and customer support services, and from the licensing of software products and platforms.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration expected to be received in exchange for those products or services.

Arrangements with customers for information technology services are either on a fixed-price, fixed-time frame or on a time-and-material basis.

Revenue on time-and-material contracts are recognized as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognized as unbilled revenue. Revenue from fixed-price, fixed-time frame contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage-of-completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Maintenance revenue is recognized ratably over the term of the underlying maintenance arrangement.

Revenues in excess of invoicing are classified as contract assets (which we refer to as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (which we refer to as Income billed in advance).

Revenue from licenses where the customer obtains a "right to use" the licenses is recognized at the time the license is made available to the customer. Revenue from licenses where the customer obtains a "right to access" is recognized over the access period. Arrangements to deliver software products generally have three elements : license, implementation and Annual Maintenance Services (AMS). The Company has applied the principles under Ind AS 115 to account for revenues from these performance obligations. When implementation services are provided in conjunction with the licensing arrangement and the license and implementation have been identified as two separate performance obligations, the transaction price for such contracts are allocated to each performance obligation of the contract based on their relative standalone selling prices. In the absence of standalone selling price for implementation, the performance obligation is estimated using the expected cost plus margin approach. Where the license is required to be substantially customized as part of the implementation service, the entire arrangement fee for license and implementation is considered to be a single performance obligation and the revenue is recognized using the percentage-of-completion method as the implementation is performed. Revenue from client training, support and other services arising due to the sale of software products is recognized as the performance obligations are satisfied. AMS revenue is recognized ratably over the period in which the services are rendered.

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch-up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

Notes to Standalone financial statements for the year ended March 31, 2019

The Company presents revenues net of indirect taxes in its Statement of Profit and Loss.

Interest

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable and based on Effective interest rate method.

Dividend

Dividend Income is recognized when right to receive the same is established.

(xii) Employee Benefits:

The Company has provides following post-employment plans:

- (a) Defined benefit plans such a gratuity
- (b) Defined contribution plans such as Provident fund

a) Defined-benefit plan:

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of defined benefit obligations at the end of the reporting period less fair value of plan assets. The defined benefit obligations is calculated annually by actuaries through actuarial valuation using the projected unit credit method.

The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- (a) Service costs comprising current service costs, past-service costs, gains and losses on curtailment and non-routine settlements; and
- (b) Net interest expense or income

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and fair value of plan assets. This cost is included in employee benefit expenses in the Statement of Profit & Loss.

Re-measurement comprising of actuarial gains and losses arising from

- (a) Re-measurement of Actuarial(gains)/losses
- (b) Return on plan assets, excluding amount recognized in effect of asset ceiling
- (c) Re-measurement arising because of change in effect of asset ceiling

are recognised in the period in which they occur directly in 'Other comprehensive income'. Re-measurement are not reclassified to profit or loss in subsequent periods.

Ind AS 19 requires the exercise of judgment in relation to various assumptions including future pay rises, inflation and discount rates and employee and pensioner demographics. The Company determines the assumptions in conjunction with its actuaries, and believes these assumptions to be in line with best practice, but the application of different assumptions could have a significant effect on the amounts reflected in the income statement, other comprehensive income and balance sheet. There may be also interdependency between some of the assumptions.

b) Defined-contribution plan:

Under defined contribution plans, provident fund, the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. Defined Contribution plan comprise of contributions to the employees' provident fund with the government and certain state plans like Employees' State Insurance and Employees' Pension Scheme. The Company's payments to the defined contribution plans are recognised as expenses during the period in which the employees perform the services that the payment covers.

c) Other employee benefits:

(a) Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the obligation as at the Balance sheet date determined based on an actuarial valuation.

(b) Undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the period when the employee renders the related services.

(xiii) Taxes on Income:

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

Notes to Standalone financial statements for the year ended March 31, 2019

Current tax is based on taxable profit for the year. Taxable profit is different from accounting profit due to temporary differences between accounting and tax treatments, and due to items that are never taxable or tax deductible. Tax provisions are included in current liabilities. Interest and penalties on tax liabilities are provided for in the tax charge. The Company offsets, the current tax assets and liabilities (on a year on year basis) where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis or to realise the assets and liabilities on net basis."

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements. Deferred income tax asset are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred tax assets are not recognised where it is more likely than not that the assets will not be realised in the future.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Minimum Alternative Tax ('MAT') credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income-tax during the specified period. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income-tax during the specified period.

(xiv) Borrowing Costs:

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalized as a part of Cost of that assets, during the period till all the activities necessary to prepare the Qualifying assets for its intended use or sale are complete during the period of time that is required to complete and prepare the assets for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other borrowing costs are recognized as an expense in the period in which they are incurred.

(xv) Earnings Per Share:

Basic earnings per shares are calculated by dividing the net profit or loss after tax for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to the equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

(xvi) Leases:

Where the Company is Lessee

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on accrual basis as per the terms of agreements entered with the counter parties.

Where the Company is Lessor

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in property, plant and equipment. The Company recognizes lease rentals from the property leased out, on accrual basis as per the terms of agreements entered with the counter parties. Costs, including depreciation, are recognized as an expense in the Statement of Profit and Loss.

(xvii) Investment in Subsidiary

Investment in Subsidiary has been carried at Cost less Accumulated impairment, if any.

(xviii) Provisions, Contingent Liabilities and Contingent Assets:

A provision is recognised if, as a result of a past event, the group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract.



Notes to Standalone financial statements for the year ended March 31, 2019

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources or an obligation for which the future outcome cannot be ascertained with reasonable certainty. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are neither recognized nor disclosed in financial statements.

Recent accounting pronouncements.

Ind AS 116 - Leases

On March 30, 2019, Ministry of Corporate affairs have notified Ind AS 116 –“Leases”. Ind As 116 will replace the existing leases standards Ind As 17 –“Leases” and related interpretations. The new standard sets out the principles for the recognition, measurement, presentation and disclosures of lease for both lease and lessor. Ind AS 116 introduces a single lease accounting model and requires a lessee to recognise the assets and liabilities for all leases with a term of more than 12 months, unless the underlying assets are of low value. Ind As 116 substantially carried forward the accounting treatment prescribed for lessor. The effective date for adoption of Ind AS 116 is annual period beginning on or after April 01, 2019. The Company is evaluating the impact of the issued Ind AS 116 on its financial statements.

Ind AS 12 –“Income taxes” - Appendix C – Uncertainty over income tax treatments

On March 30, 2019, Ministry of Corporate affairs have notified Appendix C to Ind As 12, uncertainty over the income tax treatments which is to be applied while performing the determination of taxable profits/(loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, the company needs to determine the probability of the relevant tax authorities accepting the each tax treatments that the companies have used or plan to use in their income tax filings which has to be considered to compute the most likely amount or expected value of the tax treatments, when determining the taxable profits/(loss), tax bases, unused tax losses, unused tax credits and tax rates. The effective date for adoption of Ind AS 116 is annual period beginning on or after April 01, 2019. The Company is evaluating the impact of the issued appendix C on its financial statements.

Notes to Standalone financial statements for the year ended March 31, 2019

2 Property, plant and equipment

Particulars	(₹ in Lakhs)							
	Land Leasehold	Buildings	Plant & equipment	Furniture & fixtures	Vehicles	Office equipment	Computers	Total
Gross carrying amount								
Balance as at March 31, 2017	23.78	1448.95	294.73	1089.31	48.59	64.78	221.93	3,192.07
Additions	-	-	1.27	89.53	4.52	13.67	94.28	203.27
Disposals	-	-	0.78	20.23	3.19	6.91	8.25	39.36
Balance as at March 31, 2018	23.78	1,448.95	295.22	1,158.61	49.92	71.54	307.96	3,355.98
Additions	-	363.65	12.21	47.72	-	4.52	80.70	508.80
Disposals	-	-	2.48	-	-	1.87	43.74	48.09
Balance as at March 31, 2019	23.78	1,812.60	304.95	1,206.33	49.92	74.19	344.92	3,816.69
Accumulated Depreciation								
Balance as at March 31, 2017	0.50	45.40	47.75	103.54	7.09	8.28	46.57	259.13
Additions	0.50	48.44	47.64	121.51	7.99	11.55	63.54	301.18
Disposals	-	-	0.46	5.57	1.18	4.77	4.83	16.82
Balance as at March 31, 2018	1.00	93.84	94.93	219.48	13.89	15.06	105.27	543.49
Depreciation charge for the year	0.50	33.50	48.31	117.05	7.87	12.83	74.75	294.81
Disposals	-	-	2.35	-	-	1.78	41.46	45.59
Balance as at March 31, 2019	1.50	127.34	140.89	336.53	21.76	26.11	138.56	792.71
Net Block								
Balance as at March 31, 2018	22.78	1,355.11	200.29	939.13	36.03	56.48	202.69	2,812.49
Balance as at March 31, 2019	22.28	1,685.26	164.06	869.80	28.16	48.08	206.36	3,023.98

Notes:

- Refer note no. 20 for disclosure on property, plant and equipment pledged as security.
- Refer note no. 32 for disclosure on contractual commitments for the acquisition of property, plant and equipment.
- Land was taken on lease for 66 years from September, 1997.

(₹ in Lakhs)

3 Capital work-in progress	Building under construction	Furniture and fixtures	Office Equipments	Computers	Total
Balance as at March 31, 2017	736.15	-	-	-	736.15
Additions during the year	-	84.73	-	-	84.73
Capitalised during the year	-	70.16	-	-	70.16
Balance as at March 31, 2018	736.15	14.57	-	-	750.72
Additions during the year	-	29.84	2.26	3.10	35.20
Capitalised during the year	484.87	44.41	-	-	529.28
Balance as at March 31, 2019	251.28	-	2.26	3.10	256.64

4 Investment Property

(₹ in Lakhs)

Particulars	
Gross carrying amount	
Balance as at March 31, 2017	822.41
Additions	-
Disposals	-
Balance as at March 31, 2018	822.41
Additions	121.22
Disposals	-
Balance as at March 31, 2019	943.63
Accumulated depreciation	
Balance as at March 31, 2017	16.34
Additions	17.10
Disposals	-
Balance as at March 31, 2018	33.44



Notes to Standalone financial statements for the year ended March 31, 2019

Depreciation for the year	17.82
Disposals	-
Balance as at March 31, 2019	51.26
Balance as at March 31, 2018	788.97
Balance as at March 31, 2019	892.37

Note:

- Refer note no. 20 for certain Investment Property mortgaged as collateral security against bank borrowings
- Refer note no. 36 for information regarding income and expenditure of Investment property
- Investment property include Rs. 0.04 lakhs (previous year Rs. 0.04 Lakhs) being the value of 80 (Previous Year 80) shares of Rs. 50 each in Acme Plaza Premises Co-operative Society Ltd.
- Fair value of investment property

Particulars	(₹ in Lakhs)	
	As at March 31, 2019	As at March 31, 2018
Investment Property	3,930.50	3,930.50

The fair value of investment property has been determined based on the Ready Reckoner value prevailing as on the date of Balance Sheet, which is considered to be best benchmarking of current prices in an active market

5 Intangible assets	(₹ in Lakhs)	
	As at March 31, 2019	
Software		
Balance as at March 31, 2017	533.12	
Additions	0.30	
Disposals	69.29	
Balance as at March 31, 2018	464.13	
Additions	10.52	
Disposals	6.06	
Balance as at March 31, 2019	468.59	
Accumulated amortisation		
Balance as at March 31, 2017	158.69	
Amortisation for the year	158.17	
Disposals	69.29	
Balance as at March 31, 2018	247.57	
Amortisation for the year	159.46	
Disposals	4.85	
Balance as at March 31, 2019	402.18	
Balance as at March 31, 2018	216.56	
Balance as at March 31, 2019	66.41	

6 Intangible assets under development	(₹ in Lakhs)	
	As at March 31, 2019	
Software		
Balance as at March 31, 2017	53.50	
Additions during the year	206.33	
Capitalised during the year	-	
Balance as at March 31, 2018	259.83	
Additions during the year	396.44	
Capitalised during the year	-	
Balance as at March 31, 2019	656.27	

Notes to Standalone financial statements for the year ended March 31, 2019

(₹ in Lakhs)		
7 Investments - Non-Current	As at March 31, 2019	As at March 31, 2018
Unquoted, fully paid up		
Equity Instruments, Carried at Cost		
Investment in wholly owned subsidiaries		
Investment in Cybertech Systems and Software Inc., USA		
1,585,000 (As at March 31, 2018- 1,585,000) units of USD 0.01 each	725.65	725.65
1,500,000 (As at March 31,2018- 1,500,000) common stocks of USD 1.00 each	808.39	808.39
	1,534.04	1,534.04
Investment in Spatialitics LLC., USA		
2,00,000 (As at March 31, 2018- Nil) units of USD 1.00 each	138.68	-
	1,672.72	1,534.04
Investments in Mutual Funds		
Designated as Fair Value Through Profit or Loss		
UTI Income Opportunities Fund - Dir - Growth 3,432,014.329 (As at March 31, 2018- 3,432,014.329) units of Rs.10 each	618.10	581.21
UTI Money Market Fund - Dir - Growth 4,907.022 (As at March 31, 2018- NIL) units of Rs.10 each	103.66	-
BNP Paribas Corporate Bond Fund - Dir - Growth 1,117,818.019 (As at March 31, 2018- 1,117,818.019) units of Rs.10 each	233.26	218.60
	955.02	799.81
	2,627.74	2,333.85
Note:		
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments;	2,627.74	2,333.85
Aggregate amount of impairment in value of investments	-	-
(₹ in Lakhs)		
8 Other financial assets	As at March 31, 2019	As at March 31, 2018
Non Current		
Unsecured, considered good		
Security Deposits	24.33	20.41
Total	24.33	20.41
(₹ in Lakhs)		
9 Other non-current assets	As at March 31, 2019	As at March 31, 2018
Prepaid expenses	20.70	11.82
Total	20.70	11.82
(₹ in Lakhs)		
10 Investments - current	As at March 31, 2019	As at March 31, 2018
Designated as Fair Value Through Profit and Loss		
Unquoted, fully paid up		
Investments in Mutual Funds		
UTI Treasury Advantage Fund - Institutional Plan (Growth Option)7,650.55 (As at March 31, 2018- 7,650.55) units of Rs.1,000 each	199.07	182.89
UTI - Fixed Income Interval Fund - Annual Interval Plan Series - II - Direct Growth Plan 1,048,922.167 (As at March 31,2018- 1,817,113.576) units of Rs.10 each	267.22	434.41
UTI Fixed Term Income Fund Series- XXX - X (1267 Days) - Direct Growth Plan-xxx-x (1267 days) - I - Institutional Growth Plan 1,000,000.000 (As at March 31,2018- Nil) units of Rs.10 each	105.81	-



Notes to Standalone financial statements for the year ended March 31, 2019

BNP Paribas Corporate Liquid Fund - Dir - Growth 24,392.782 (As at March 31, 2018-Nil) units of Rs.10 each	700.71	-
	1,272.81	617.30
Aggregate amount of unquoted investments	1,272.81	617.30
Aggregate amount of impairment in the value of investments	-	-

	(₹ in Lakhs)	
11 Trade receivables Unsecured	As at March 31, 2019	As at March 31, 2018
Trade receivables considered good - Secured	-	-
Trade receivables considered good - Unsecured	3,171.29	3,194.11
Trade receivables which have significant increase in credit risk	263.50	225.50
Trade receivables-credit impaired	-	-
Total	3,434.79	3,419.61
Less: Provision for doubtful receivables and expected credit loss	(263.50)	(225.50)
Total	3,171.29	3,194.11

	(₹ in Lakhs)	
12 Cash and cash equivalents	As at March 31, 2019	As at March 31, 2018
Balances with Banks		
In current accounts	311.97	419.99
Cash on hand	1.84	3.42
Total	313.81	423.41

	(₹ in Lakhs)	
13 Bank balances other than above	As at March 31, 2019	As at March 31, 2018
Balances with Banks		
in unpaid dividend accounts	17.78	22.40
in fixed deposit accounts *		
-Deposits with maturity more than 3 months but less than 12 months	48.55	91.27
	66.33	113.67

*Fixed Deposits with Banks held as margin money against the following:
Guarantees issued to Municipal Corporations

48.55 91.27

	(₹ in Lakhs)	
14 Loans	As at March 31, 2019	As at March 31, 2018
Loans Receivables considered good - Secured	-	-
Loans Receivables considered good - Unsecured		
Loans to employees	3.20	0.56
Total	3.20	0.56

	(₹ in Lakhs)	
15 Other financial assets	As at March 31, 2019	As at March 31, 2018
Unsecured, considered good		
Unbilled revenue	430.54	421.88
Earmarked deposits	15.00	15.00
Security deposits		
Considered good	17.93	28.00
Considered doubtful	4.40	3.00
Total	22.33	31.00
Less: Provision for doubtful deposits	(4.40)	(3.00)
	17.93	28.00

Notes to Standalone financial statements for the year ended March 31, 2019

Interest receivable on deposits	2.39	6.48
Derivative assets-foreign exchange forward contracts	58.27	-
Claims receivables	-	20.81
Total	524.13	492.17

(₹ in Lakhs)

16 Other current assets	As at March 31, 2019	As at March 31, 2018
Unsecured, considered good		
Advances for supply of goods and rendering of services	2.98	9.63
Prepaid expenses	84.40	75.37
Lease equalisation	1.19	2.48
Advances to employees	6.96	2.29
Balances with government authorities	8.44	-
Other receivables	15.36	3.06
Total	119.33	92.83

(₹ in Lakhs)

17 Equity share capital	As at March 31, 2019	As at March 31, 2018
Authorised		
36,000,000 Equity Shares of ₹ 10 each	3,600.00	3,600.00
	3,600.00	3,600.00
Issued		
27,520,552 (As at March 31, 2018- 27,419,552) Equity Shares of ₹10 each	2,752.06	2,741.96
Subscribed and paid-up		
27,515,593 (As at March 31, 2018- 27,414,593) Equity Shares of ₹ 10 each *	2,751.56	2,741.46
	2,751.56	2,741.46

*[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 National Securities Depository Limited]

(₹ in Lakhs)

a) Reconciliation of number of shares	As at March 31, 2019		As at March 31, 2018	
	Number of shares	Amount	Number of shares	Amount
Equity Shares :				
Balance as at the beginning of the year	27,414,593	2,741.46	27,078,343	2,707.83
Add: ESOP shares issued during the year (Refer note no:-43)	101,000	10.10	336,250	33.63
Balance as at the end of the year	27,515,593	2,751.56	27,414,593	2,741.46

b) Rights, preferences and restrictions attached to shares

Equity shares: The Company has only one class of equity shares having a face value of ₹10 per share. Each shareholder has a right to vote in respect of such share, on every resolution and his voting right on a poll shall be in proportion to his share of the paid-up equity capital of the Company. In the event of liquidation, the equity shareholders are entitled to receive the remaining assets of the Company after payments to secured and unsecured creditors in proportion to their shareholding.

c) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

	As at March 31, 2019		As at March 31, 2018	
	Nos.	%	Nos.	%
Vish Tadimety	5,721,141	20.79%	5,624,870	20.52%
Indotech Holdings LLC	3,900,000	14.17%	3,900,000	14.23%
Steven Jeske	2,431,433	8.84%	2,431,433	8.87%



Notes to Standalone financial statements for the year ended March 31, 2019

d) During the previous five years, the Company has not issued Bonus shares/bought back shares/issued shares for consideration other than cash.

e) Refer note no. 43 in respect of Employee Stock option Plan (ESOP Plan)

(₹ in Lakhs)

18 Other Equity	Capital Reserve	Money received against share warrants	Securities Premium	Equity Settled Employee Benefits Reserve	Retained Earnings	Other comprehensive income {Other actuarial gains/(losses)}	Total
Balance as at March 31, 2017	-	167.50	1,686.85	111.33	4,043.87	(10.37)	5,999.18
Received during the year on issue of shares under ESOP	-	-	20.90	-	-	-	20.90
Profit for the year	-	-	-	-	195.95	-	195.95
Other comprehensive income for the year	-	-	-	-	-	(1.84)	(1.84)
Employee share based payment	-	-	-	37.49	-	-	37.49
Dividend paid (including dividend distribution tax of ₹ 55.81 Lakhs)	-	-	-	-	(329.96)	-	(329.96)
Balance as at March 31, 2018	-	167.50	1,707.75	148.82	3,909.86	(12.21)	5,921.72
Received during the year on issue of shares under ESOP	-	-	7.79	-	-	-	7.79
Profit for the year	-	-	-	-	551.40	-	551.40
Other comprehensive income for the year	-	-	-	-	-	(12.07)	(12.07)
Employee share based payment	-	-	-	26.67	-	-	26.67
Transferred to capital reserve on forfeiture of share warrants	167.50	(167.50)	-	-	-	-	-
Dividend paid (including dividend distribution tax of ₹ 56.56 Lakhs)	-	-	-	-	(331.72)	-	(331.72)
Balance as at March 31, 2019	167.50	-	1,715.54	175.49	4,129.54	(24.28)	6,163.79

Purpose of the reserves:

- Capital reserve:** Capital reserve represents the forfeiture of application money received against share warrants.
- Securities premium:** The amount received in excess of face value of the equity shares is recognised in securities premium. In case of equity-settled share based payment transactions, the difference between fair value of option on grant date and exercise price of share is transferred from equity settled share based payment reserve to securities premium at the time of exercise of options.
- General reserve:** The reserve is a distributable reserve maintained by the Company out of transfers made from annual profits.
- Equity settled employee benefits reserve:** The fair value of the equity-settled employee benefits reserve with employees is recognised in Statement of Profit and Loss with corresponding credit to Equity settled share employee benefits reserve. The same is transferred to securities premium at the time of exercise of options or to retained earnings in the event of forfeiture, non-vesting or lapse.
- Retained earnings:** Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

(₹ in Lakhs)

19 Other financial liabilities	As at March 31, 2019	As at March 31, 2018
Measured at amortised cost		
a) Non-current		
Security deposits received against leased premises	244.21	138.43
Non-current total (A)	244.21	138.43
b) Current		
Security deposits received	0.27	3.53
Unclaimed Dividend*	17.74	22.35
Payable for capital expenditure	13.57	67.73
Current total (B)	31.58	93.61
Total (A+B)	275.79	232.04

* There are no amounts due for payment to the Investor Education and Protection Fund under section 125 of the Companies Act, 2013 as at March 31, 2019.

Notes to Standalone financial statements for the year ended March 31, 2019

(₹ in Lakhs)		
20 Current borrowings	As at March 31, 2019	As at March 31, 2018
Secured		
Bank Overdraft (Refer note (i))	428.57	222.62
Cash Credit (Refer note (ii))	1,355.14	869.92
Total	1,783.71	1,092.54

Note:

- i) Bank Overdraft from Bank carry interest @ 10.10% (previous year 10.10%) p.a computed on monthly basis on the actual amount utilised and are repayable on demand. Bank Overdraft is secured by way of mortgage of immovable property of the Company at Thane and personal guarantee of Executive Director of the Company.
- ii) Cash Credit from Bank carry interest @ 10.10% (previous year 10.10%) p.a. computed on monthly basis on the actual amount utilised and are repayable on demand. Cash credit is secured by way of-
- hypothecation of book debts and other receivables
 - second charge on immovable property of the Company at Thane, and
 - personal guarantee of Executive Director of the Company.

(₹ in Lakhs)		
21 Trade payables	As at March 31, 2019	As at March 31, 2018
Trade payables [Refer note below]		
-Total outstanding dues of micro enterprises and small enterprises	2.92	-
-Total outstanding dues of creditors other than micro enterprises and small enterprises	551.24	633.83
Total	554.16	633.83

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprises Development Act, 2006" ("the Act") is based on the information available with the Company regarding the status of registration of such vendors under the Act, as per the intimation received from them on request made by the Company.

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
1) The principal amount remaining unpaid to supplier as at the end of the accounting year	2.92	-
2) The interest due thereon remaining unpaid to supplier as at the end of the accounting year	-	-
3) The amount of interest paid in terms of Section 16, along with the amount of payment made to the supplier beyond the appointed day during the year	-	-
4) The amount of interest due and payable for the year	-	-
5) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
6) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

(₹ in Lakhs)		
22 Other current liabilities	As at March 31, 2019	As at March 31, 2018
Income received in advance	43.08	74.21
Statutory dues	71.25	46.78
Total	114.33	120.99



Notes to Standalone financial statements for the year ended March 31, 2019

	(₹ in Lakhs)	
	As at March 31, 2019	As at March 31, 2018
23 Provisions		
Current		
Provision for employee benefits		
Provision for compensated absences	86.63	78.99
Provision for gratuity	137.83	116.21
Total	224.46	195.20
24 Current tax liabilities (net)		
Provision for tax	999.38	979.11
net of advance tax of Rs. 540.24 lakhs (As at March 31, 2018 of Rs. 920 lakhs;)		
Total	999.38	979.11
25 Revenue from operations		
Sale of services		
Information technology services	5,382.31	5,106.74
Total	5,382.31	5,106.74
26 Other income		
Rent received	460.66	680.29
Less: Rates and taxes (directly attributable)	(27.27)	(56.21)
	433.39	624.08
Interest income on:		
Loans given	1.66	4.89
Deposit with banks	2.18	14.15
Income tax refund	-	18.65
Profit on sale of investments in mutual funds	6.71	8.15
Gain on fair valuation of investments in mutual funds	94.37	95.77
Exchange gain (net)	81.81	37.58
Sundry credit balances written back (net)	2.25	8.00
Miscellaneous income	9.41	2.80
Total	631.78	814.07
27 Employee benefits expense		
Salaries and wages	3,775.91	3,394.83
Contribution to provident and other funds	54.46	41.19
Share based payment to employees	26.67	37.49
Staff welfare expense	42.74	55.80
	3,899.78	3,529.31
Less: Transferred to intangible assets under development	(387.53)	(206.33)
Total	3,512.25	3,322.98
28 Finance costs		
Interest expense	90.24	112.85
Other finance cost on unwinding of discount	18.84	74.10
Total	109.08	186.95

Notes to Standalone financial statements for the year ended March 31, 2019

	₹ in Lakhs)	
29 Depreciation and amortisation expense	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Depreciation on property, plant and equipment	294.82	284.08
Depreciation on investment property	17.82	17.10
Amortisation on Intangible assets	159.46	158.17
Total	472.10	459.35

	₹ in Lakhs)	
30 Other expenses	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Rent	13.00	16.43
Repairs & maintenance		
- Buildings	40.22	33.51
- Plant and equipment	96.15	107.76
- Others	60.14	72.76
Insurance	3.86	4.58
Rates and taxes	34.70	48.48
Travelling and conveyance	107.34	132.22
Communication	23.81	23.17
Electricity expense	98.15	81.02
Professional fees	168.83	204.42
Provision for doubtful receivables and advances	20.94	177.77
Provision for expected credit losses	18.46	26.31
Directors' sitting fees/commission	19.30	19.00
Auditors' remuneration:		
- Audit fees	10.55	10.75
- Certification and other services	0.45	2.25
- Reimbursement of expenses-(excluding Goods and service tax)	0.51	0.89
Security expenses	39.79	40.91
Corporate social responsibility expenses (Refer Note no.36)	12.10	14.00
Loss on plant, property and equipment disposed / discarded (net)	3.10	20.89
Miscellaneous expenses	132.56	128.54
Total	903.96	1,165.66

31 EARNINGS PER SHARE (EPS)	As at March 31, 2019	As at March 31, 2018
Profit after tax available for Equity Shareholders	551.40	195.95
Weighted Average Number of Equity Shares outstanding for computing Basic EPS	27,485,075	27,346,302
Add: Weighted average number of potential equity shares on account of employee stock options	225,398	512,896
Weighted Average Number of Equity Shares outstanding for computing Diluted EPS	27,710,474	27,859,198
Nominal value of Equity Shares (In Rs)	10.00	10.00
Basic Earnings Per Share	2.01	0.72
Diluted Earnings Per Share	1.99	0.70

(₹ in Lakhs)

32 CONTINGENT LIABILITIES AND COMMITMENTS	As at March 31, 2019	As at March 31, 2018
A) CONTINGENT LIABILITIES		
i) Disputed Income Tax Demands (Including interest and penalties)	136.44	136.44
Total	136.44	136.44

ii) In the previous years, the Company has received Income Tax refunds of ₹ 1,894.74 Lakhs (including interest amount of ₹ 740.81 Lakhs) towards Assessment years 1997-98, 1998-99 and 1999-00, pursuant to the favorable Order from Income Tax Appellate Tribunal. The Income Tax Depart-



Notes to Standalone financial statements for the year ended March 31, 2019

ment has filed an appeal against the said Order with the Hon'ble High Court, Bombay. However, the Company has continued the provision of ₹ 1,219.61 Lakhs (Previous Year ₹ 1219.61 Lakhs) made in earlier years.

Notes

The Company's pending litigations comprise mainly claims against the Company, proceedings pending with Tax and other Authorities. The Company has reviewed all its pending litigations and proceedings and has made adequate provisions, wherever required and disclosed the contingent liabilities, wherever applicable, in its financial statements. The Company does not reasonably expect the outcome of these proceedings to have a material impact on its financial statements.

(₹ in Lakhs)

B)	COMMITMENTS	As at March 31, 2019	As at March 31, 2018
	Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances)	-	-

33 DISCLOSURE ON RELATED PARTY TRANSACTIONS

A) Names of related parties and description of relationship:

a) Wholly Owned Subsidiary :

CyberTech Systems and Software Inc. (USA)
Spatialitics LLC -(USA) (w.e.f. April 1, 2018)

b) Key Management Personnel (KMP) :

Mr.Ramasubramanian Sankaran - Executive Director
Mr.Praveen Agarwal- Chief Financial Officer (w.e.f. May 10,2017)
Ms.Sarita Leelaramani- Company Secretary

c) Non-Executive and Independent Directors

Non-Executive directors

Vish Tadimety
Steven Jeske
Amogha Tadimety

Independent directors

Angela Cook Wilcox (w.e.f February 13, 2018)
Dr. N.L. Sarda
Marezban Padam Bharucha
Shreepad Karmalkar
Sudhir Joshi
William Peter Elfrink (till November 14, 2018)
Anant V. Rajwade (till November 4, 2017)

B) Related party transactions with Subsidiary/KMP during the year:

(₹ in Lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Sale of Services		
CyberTech Systems and Software Inc.-USA	4,580.64	3,673.17
Reimbursement of expenses received		
CyberTech Systems and Software Inc.-USA	17.56	34.61
Spatialitics LLC-USA	11.38	-
Remuneration paid to*		
Mr.Ramasubramanian Sankaran	72.91	76.39
Mr. Praveen Agarwal	25.73	22.25
Ms.Sarita Leelaramani	9.46	8.93
Guarantee taken from Director	-	2,000.00

Notes to Standalone financial statements for the year ended March 31, 2019

Directors Sitting Fees		
Amogha Tadimety	0.80	0.80
Anant V. Rajwade		1.60
Angela Cook Wilcox	0.80	-
Dr. N.L. Sarda	1.80	1.80
Marezban Padam Bharucha	0.80	0.80
Shreepad Karmalkar	0.60	0.40
Steven Jeske	2.00	1.40
Sudhir Joshi	3.80	3.60
Vish Tadimety	2.80	2.80
Willem Pieter Elfrink	0.40	0.80
Commission to Directors	6.50	5.00
Investment		
Spatialitics LLC.	138.68	-

C) Outstanding Balances

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Trade Receivables		
CyberTech Systems and Software Inc.-USA	2,369.88	1,987.11
Spatialitics LLC-USA	11.38	-
Trade Payables		
Mr.Ramasubramanian Sankaran	8.94	6.00
Mr. Praveen Agarwal	1.22	0.96
Ms.Sarita Leelaramani	0.81	0.27
Director's commission payable	6.50	4.50
Investment		
CyberTech Systems and Software Inc.-USA	1,534.03	1,534.03
Spatialitics LLC-USA	138.68	-
Guarantee taken		
Mr.Ramasubramanian Sankaran	1,783.71	1,092.54

*The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

The above figures do not include provisions for compensated expenses, gratuity and premium paid for group health insurance as separate actuarial valuation/ premium paid are not available.

Notes:

- (i) All related party transactions entered during the year were in ordinary course of the business and are on arm's length basis.
- (ii) No amounts in respect of related parties have been written off / written back during the year, nor has any provision been made for doubtful debts / receivables during the year.
- (iii) Related party relationships have been identified by the management and relied upon by the Auditors.

Notes to Standalone financial statements for the year ended March 31, 2019

34 Segment Reporting

The Company is engaged in the business of Information Technology Services and its operations are regularly reviewed by Chief Operating Decision Maker for assessment of Company's performance and resource allocation. Accordingly, the Company has only one business segment in accordance with the IND AS – 108 "Operating Segments".

35 DISCLOSURE PURSUANT TO IND AS - 19 "EMPLOYEE BENEFITS"

Defined Benefit Plan - Gratuity

In accordance with the applicable laws, the Company provides for gratuity, a defined benefit retirement plan ("The Gratuity Plan") covering eligible employees. The Gratuity Plan provides for a lump sum payment to vested employees on retirement (subject to completion of five years of continuous employment), death, incapacitation or termination of employment that are based on last drawn salary and tenure of employment. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation on the reporting date and the Company makes annual contribution to the gratuity fund administered by Life Insurance Corporation of India under Group Gratuity Scheme.

The disclosure in respect of the defined Gratuity Plan are given below:

			(₹ in Lakhs)
A Balance Sheet	As at March 31, 2019	As at March 31, 2018	
Present value of plan liabilities	(152.30)	(129.91)	
Fair value of plan assets	14.47	13.70	
Asset/(Liability) recognised	(137.83)	(116.21)	
B Movements in plan assets and plan liabilities	Present value of obligations	Fair Value of Plan assets	
As at 1st April 2018	129.91	13.71	
Current service cost	15.79	-	
Past service cost	-	-	
Interest Cost/(Income)	10.20	1.07	
Return on plan assets excluding amounts included in net finance income/cost	-	0.29	
Actuarial (gain)/loss arising from changes in demographic assumptions	-	-	
Actuarial (gain)/loss arising from changes in financial assumptions	1.07	-	
Actuarial (gain)/loss arising from experience adjustments	15.93	-	
Employer contributions	-	20.00	
Benefit payments	(20.60)	(20.60)	
As at 31st March 2019	152.30	14.47	
As at 1st April 2017	Present value of obligations	Fair Value of Plan assets	
As at 1st April 2017	102.53	3.96	
Current service cost	12.95	-	
Past service cost	10.07	-	
Interest Cost/(Income)	7.38	0.29	
Return on plan assets excluding amounts included in net finance income/cost	-	-	
Actuarial (gain)/loss arising from changes in demographic assumptions	-	-	
Actuarial (gain)/loss arising from changes in financial assumptions	(10.95)	1.32	
Actuarial (gain)/loss arising from experience adjustments	14.79	-	
Employer contributions	-	15.00	
Benefit payments	(6.86)	(6.86)	
As at 31st March 2018	129.91	13.71	

Notes to Standalone financial statements for the year ended March 31, 2019

C. Statement of Profit and Loss

(₹ in Lakhs)

	As at March 31, 2019	As at March 31, 2018
Employee Benefit Expenses:		
Current service cost	15.79	12.95
Interest cost/(income)	9.12	7.10
Total amount recognised in Statement of profit & loss	24.91	20.05
Remeasurement of the net defined benefit liability:		
Actuarial gains/(losses) arising from changes in demographic assumptions	-	-
Actuarial gains/(losses) arising from changes in financial assumptions	1.06	(10.95)
Actuarial gains/(losses) due to experience	15.94	14.80
Return on plan assets (excluding interest income)	(0.29)	(1.32)
Total amount recognised in Other Comprehensive Income	16.71	2.53

D. Assumptions

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

The significant actuarial assumptions were as follows:

	As at March 31, 2019	As at March 31, 2018
Financial Assumptions		
Discount rate	7.79%	7.85%
Salary Escalation Rate	2.00%	2.00%

E. Sensitivity

The sensitivity of the overall plan liabilities to changes in the weighted key assumptions are:

	Impact on defined benefit obligation		
	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate	1.00%	(5.84)	30.21
Salary Escalation Rate	1.00%	30.19	(6.85)

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

F. The defined benefit obligations shall mature after year end 31st March, 2019 as follows:

Year ending March 31,	Defined benefit obligation - ₹ in Lakhs
2020	4.05
2021	4.28
2022	4.50
2023	11.34
2024	5.88
Thereafter	450.93

ii) **Compensated Absences:** The Company permits encashment of compensated absence accumulated by their employees on retirement, separation and during the course of service. The liability in respect of the Company, for outstanding balance of leave at the balance sheet date is determined and provided on the basis of actuarial valuation as on 31st March 2018 performed by an independent actuary. The Company doesn't maintain any plan assets to fund its obligation towards compensated absences.



Notes to Standalone financial statements for the year ended March 31, 2019

The disclosure in respect of the defined Compensated Absences are given below:

₹ in Lakhs)

Particulars	As at	As at
	March 31, 2019	March 31, 2018
Expenses recognised in Statement of Profit and Loss	77.15	49.44
Balance Sheet liability	86.63	78.99

36. Leases

COMPANY AS A LESSOR

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Due within one year	43.56	16.39
Due in a period between one year and five years	15.00	16.38
Due after five years	-	-

The Company has leased its vacant premises under non-cancellable lease agreements. During the year ₹ 460.66 Lakhs (Previous Year ₹ 680.29 Lakhs) has been recognized as rent income in the Statement of Profit and Loss under head "Other Income".

(₹ in Lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Rental Income	460.66	680.29
Direct Operating Expenses	27.27	56.21
Depreciation	17.82	17.10
Net Income	415.57	606.98

COMPANY AS A LESSEE

The Company has taken lease premises under non-cancellable lease agreement. During the year ₹ 4.58 Lakhs (Previous Year Rs Nil) has been shown as rent in the Statement of Profit and Loss under head "Other expenses"

Future minimum lease payment in respect of these leases:

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Due within one year	18.55	6.08
Due in a period between one year and five years	4.81	9.59
Due after five years	-	-

37 CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE

Gross amount required to be spent by the Company as per Section 135 of Companies Act, 2013 during the year is ₹ 12.07 Lakhs (Previous year ₹ 13.88 Lakhs) and amount actually spent during the year is ₹ 12.10 Lakhs (Previous year ₹ 14.00 Lakhs), the details of which is as given below:

(₹ in Lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Gross amount required to be spent by the Company as per Section 135 of Companies Act, 2013	12.07	13.88
Construction/acquisition of any asset	-	-
On purposes other than above	12.10	14.00

Notes to Standalone financial statements for the year ended March 31, 2019

38 Financial Risk Management

Financial risk management objectives and policies:

The Company's business activities exposed it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company's Management has the overall responsibility for establishing and governing the Company's risk management framework.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings.

Risk	Exposure arising from	Measurement	Management
Market Risk - Interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Interest rate swaps
Market Risk - Foreign exchange	Financial assets and liabilities	Cash flow forecasting Sensitivity analysis	Hedging, Forex planning
Credit risk	Cash and cash equivalents, trade receivables, Investments, loans and other financial assets measured at fair /amortised cost.	Ageing analysis/ Credit ratings	Diversification in various class of assets, credit limits and letters of credit
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities; working capital management

(A) Market Risk- Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. The Company is having short term borrowings from banks.

(i) Exposure to interest rate risk - Financial liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Borrowings bearing variable rate of interest - Cash credits - short term in nature	1,783.71	1,092.54

Hence, the Company is not significantly exposed to the interest rate risk as working capital facility are, as per contractual terms, primarily of short term in nature.

(B) Market Risk- Foreign currency risk.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company has foreign currency trade receivables and is therefore exposed to foreign exchange risk. The exchange rates have been volatile in the recent years and may continue to be volatile in the future. Hence the operating results and financials of the Company may be impacted due to volatility of the rupee against foreign currencies.

Derivative Contracts and unheeded foreign currency exposure

(Derivative contracts outstanding as at March 31, 2019)

(₹ in Lakhs)

	As at March 31, 2019		As at March 31, 2018	
	In Foreign Currency	Amount	In Foreign Currency	Amount
Forward Contract to sell USD	2,000,000	1,460.13	2,072,677	1,365.39

Notes to Standalone financial statements for the year ended March 31, 2019

Unhedged foreign currency exposure as at March 31, 2019

(₹ in Lakhs)

	As at March 31, 2019		As at March 31, 2018	
	In Foreign Currency	Amount	In Foreign Currency	Amount
Trade receivables and others	1,446,613	1,000.33	987,627	629.01
Cash and bank balances	70,657	48.86	-	-
	1,517,270	1,049.19	987,627	629.01

A change of 1% in Foreign currency would have following Impact on profit before tax

(₹ in Lakhs)

	For the year ended March 31, 2019		For the year ended March 31, 2018	
	1% Increase	1% decrease	1% Increase	1% decrease
Increase / (decrease) in profit or loss	10.00	(10.00)	6.29	(6.29)

(C) Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. The Company is exposed to credit risk from its operating activities (trade receivables) and from its financing activities including investments in mutual funds, deposits with banks and financial institutions and debentures and bonds, foreign exchange transactions and financial instruments.

To manage the credit risk from trade receivables, the Company periodically assess financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly. The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period.

Credit risk from investments is managed by the Company's treasury in accordance with the board approved policy and limits.

To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- Actual or expected significant adverse changes in business,
- Actual or expected significant changes in the operating results of the counterparty,
- Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- Significant increase in credit risk on other financial instruments of the same counterparty,
- Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees.

Ageing of Account receivables (Gross)

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
0-3 months	1,325.08	1,395.57
3-6 months	1,201.67	1,142.92
6 months to 12 months	189.45	350.78
beyond 12 months	718.59	530.34
Total	3,434.79	3,419.61

Movement in provisions of doubtful debts

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Opening provision	225.50	28.08
Add:- Additional provision made	38.00	201.09
Less:- Provision write off/ reversed	-	-
Less:- Provision utilised against bad debts	-	(3.67)
Closing provisions	263.50	225.50

Notes to Standalone financial statements for the year ended March 31, 2019

(D) Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time, or at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related such risk are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows. The Company's objective is to maintain at all times, optimum levels of liquidity to meet its obligations.

Financing arrangements

The company had access to following undrawn Borrowing facilities at end of reporting period:

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Variable Borrowing -Expires within 1 year	216.29	907.46

Maturity patterns of borrowings

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
0-1 years	1,783.71	1,092.54
more than 1 year	-	-
Total	1,783.71	1,092.54

Maturity patterns of trade payables

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
0-1 years	554.16	633.83
more than 1 year		
Total	554.16	633.83

Maturity patterns of Other financial liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
0-1 years	31.58	93.61
more than 1 year	244.21	138.43
Total	275.79	232.04

39 Financial instruments

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions are used to estimate the fair values:

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.



Notes to Standalone financial statements for the year ended March 31, 2019

The carrying amounts and fair values of financial instruments by category are as follows:

a. Financial assets

	Instruments carried at fair value				Instruments carried at amortized cost			Total carrying amount (A+B)
	FVOCI (Equity instruments)	FVOCI (Other instruments)	FVTPL	At Cost	Total fair value (A)	Carrying amount (B)	Fair Value	
(₹ in lakhs)								
As at March 31, 2019								
Investment in subsidiaries	-	-	-	1,672.72	1,672.72	-	-	1,672.72
Other investments	-	-	2,227.83	-	2,227.83	-	-	2,227.83
Trade receivables	-	-	-	-	-	3,171.29	3,171.29	3,171.29
Cash and cash equivalents	-	-	-	-	-	380.14	380.14	380.14
Loans	-	-	-	-	-	3.20	3.20	3.20
Other financial assets	-	-	-	-	-	548.46	548.46	548.46
Total	-	-	2,227.83	1,672.72	3,900.55	4,103.09	4,103.09	8,003.64
As at March 31, 2018								
Investment in subsidiaries	-	-	-	1,534.03	1,534.03	-	-	1,534.03
Other investments	-	-	1,417.12	-	1,417.12	-	-	1,417.12
Trade receivables	-	-	-	-	-	3,194.11	3,194.11	3,194.11
Cash and cash equivalents	-	-	-	-	-	537.08	537.08	537.08
Loans	-	-	-	-	-	0.56	0.56	0.56
Other financial assets	-	-	-	-	-	512.57	512.58	512.57
Total	-	-	1,417.12	1,534.03	2,951.15	4,244.31	4,244.33	7,195.47

b. Financial liabilities

	Instruments carried at fair value		Instruments carried at amortized cost		Total carrying amount (A+B)
	FVTPL	Total carrying amount and fair value (A)	Carrying amount (B)	Fair value	
(₹ in Lakhs)					
As at March 31, 2019					
Borrowings	-	-	1,783.71	1,783.71	1,783.71
Trade payables	-	-	554.16	554.16	554.16
Other financial liabilities	275.79	275.79	-	-	275.79
Total	275.79	275.79	2,337.87	2,337.87	2,613.66
As at March 31, 2018					
Borrowings	-	-	1,092.54	1,092.54	1,092.54
Trade payables	-	-	633.83	633.83	633.83
Other financial liabilities	232.04	232.04	-	-	232.04
Total	232.04	232.04	633.83	633.83	1,958.42

The Management assessed that fair value of cash and cash equivalents, trade receivables, investments in term deposits, loans, other financial assets (except derivative financial instruments), trade payables, and other financial liabilities (except derivative financial instruments) is considered to be equal to the carrying amount of these items due to their short-term nature.

c. Fair value estimation

For financial instruments measured at fair value in the Balance Sheet, a three level fair value hierarchy is used that reflects the significance of inputs used in the measurements. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as follows:

- Level 1: quoted prices for identical instruments
- Level 2: directly or indirectly observable market inputs, other than Level 1 inputs; and
- Level 3: inputs which are not based on observable market data.

Notes to Standalone financial statements for the year ended March 31, 2019

For assets and liabilities which are carried at fair value, the classification of fair value calculations by category is summarised below:

(₹ in Lakhs)

	Level 1	Level 2	Level 3	Total
As at March 31, 2019				
Assets at fair value				
Investments in Mutual Funds	2,227.83	-	-	2,227.83
As at March 31, 2018				
Assets at fair value				
Investments in Mutual Funds	1,417.12	-	-	1,417.12

Note - Mutual funds are valued using the Closing Net Asset Value (NAV)

40 Income Taxes

a) Tax expense recognised in the Statement of Profit and Loss:

₹ in Lakhs

	For the year ended March 31, 2019	For the year ended March 31, 2018
Current tax		
Current year	230.00	160.00
Adjustments for prior periods	3.18	(8.44)
Total current tax	233.18	151.56
Deferred tax		
Origination and reversal of temporary difference	(35.00)	(73.51)
Total deferred income tax expense/(credit)	(35.00)	(73.51)
Total income tax expense/(credit)	198.18	78.05

b) A reconciliation between the statutory income tax rate applicable to the Company and the effective income tax rate of the Company is as follows :

	For the year ended March 31, 2019	For the year ended March 31, 2018
Reconciliation of effective tax rate		
Profit before taxation	749.58	274.00
Enacted income tax rate in India	27.82%	27.55%
Tax at India Income Tax Rate	208.53	75.49
Differences due to:		
Expenses not deductible for tax purposes	1.68	5.83
Portion of expenses/(income) on which tax is not payable	(16.58)	8.36
Tax expenses pertaining to earlier years	3.18	(8.44)
Others	1.37	(3.19)
Effective tax amount	198.18	78.05

Movement during the year ended March 31, 2019 and March 31, 2018

₹ in lakhs

	As at March 31, 2018	Credit/(charge) in statement of Profit and Loss	As at March 31, 2019
Deferred tax assets/(liabilities)			
Expenses allowable on payment basis and others	(136.05)	(29.44)	(165.49)
On Property, plant & equipment	290.23	(20.33)	269.91
Long term capital loss	(14.85)	8.05	(6.80)
Fair value gains/losses	72.48	2.07	74.55
Total	211.81	(39.65)	172.16

Notes to Standalone financial statements for the year ended March 31, 2019

Movement during the year ended March 31, 2018 and March 31, 2017

₹ in lakhs

	As at March 31, 2017	Credit/(charge) in statement of Profit and Loss	As at March 31, 2018
Deferred tax assets/(liabilities)			
Expenses allowable on payment basis	(57.65)	(78.40)	(136.05)
On Property, plant & equipment	323.05	(32.81)	290.23
Long term Capital loss	(15.40)	0.54	(14.85)
Fair value gains/losses	36.01	36.47	72.48
Total	286.01	(74.21)	211.81

41 Capital risk management

(a) Risk management

The Company's objectives when managing capital are to

- ◀ safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stake holders, and
- ◀ maintain an optimal capital structure to reduce the cost of capital

The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares.

The Company monitors capital using a gearing ratio being a ratio of net debt as a percentage of total capital.

(₹ in Lakhs)

	As at March 31, 2019	As at March 31, 2018
Total equity attributable to equity shareholders of the Company	8,915.35	8,663.18
Net debt (Total borrowings less cash and bank balances)	1,421.35	577.86
Total capital (borrowings and equity)	10,336.70	9,241.04
Gearing ratio	0.16	0.07

(b) Dividends

(₹ in Lakhs)

Dividend paid during the year

(i) Equity Shares

Final dividend for the year ended March 31, 2018 of Re. 1 Per fully paid up share (March 31, 2017 - Re. 1) [Including dividend distribution tax of ₹ 56.56 Lakhs] (Previous year ₹ 55.81 Lakhs)

2018-19	2017-18
331.72	323.42

(ii) Dividends not recognised at the end of reporting period

Since year end, the directors have recommended the payment of a final dividend of Re. 1 per fully paid up equity share (March 31, 2018 - Re. 1) The Proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting. [Including dividend distribution tax of ₹.56.56 Lakhs]

331.72	323.42
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42 Share Warrants

During the financial year 2016-17, the Company had issued 10,00,000 Warrants at a price of Rs. 67 each entitling them for subscription of equivalent number of equity shares of Rs. 10 each (including premium of ₹ 57 each share) in accordance with Chapter VII of SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2009.

The Company had received the application money of Rs.167.50 Lakhs against Share Warrants representing 25% of the warrants value which entitles the warrant holder, the option to apply for and be allotted equivalent number of equity shares of the face value of ₹ 10 each. The holder of the warrants would need to exercise the option to subscribe to equity shares before the expiry of 18 months from the date of allotment made on 27th October, 2016 by paying the balance 75% of the consideration of warrants. During the year, due to non payment of the balance amount before the expiry period, the application money has been forfeited and the said amount has been transferred to Capital Reserve.

Notes to Standalone financial statements for the year ended March 31, 2019

43 Employee Share Based payments

(a) Employee option plan

The Company's Employees' Stock Option Scheme - 2007, 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 as on March 31, 2007 on 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 9,264,970 shares (Previous Year 9,264,970 shares). The Shareholders at their meeting held on September 30, 2014 passed a new ESOP plan 2014. Under new ESOP plan, the shareholders has permitted to grant 1,323,567 equity shares to the employees of the Company and to the employees of wholly owned subsidiary viz. CyberTech Systems and Software Inc., USA. 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. One option is equal to one equity share.

Movement during the period:

The number and weighted average exercise prices (WAEP) of the options granted and movement during the period is as follows:

	March 31, 2019		March 31, 2018	
	Numer of options	WAEP	Numer of options	WAEP
Opening balance	1,196,750	35.35	1,783,000	38.22
Add: Granted during the year	300,000	46.20	50,000	56.55
Less: Exercised during the year	101,000	17.71	336,250	16.21
Less: Forfeited/lapsed during the year	213,250	45.57	300,000	77.40
Closing balance	1,182,500	37.76	1,196,750	35.35

* 213,250 Options were lapsed during the year due to resignation of employees. During the previous year 250,000 options were surrendered and 50,000 options were lapsed on expiry of its tenure.

Weighted average equity share price at the date of exercise of options during the year was ₹ 37.76 (2017-18: ₹ 35.35)

The following table summarises information about outstanding stock options:

As at March 31, 2019

Range of Exercise price	Number of shares arising out of Options	Weighted average remaining life (in years)	Weighted average exercise price (in ₹)
₹ 10- ₹ 15	53,000	1	11.34
₹ 16 - ₹ 45	979,500	4	37.37
₹ 46 - ₹ 60	150,000	6	49.65

As at March 31, 2018

Range of Exercise price	Number of shares arising out of Options	Weighted average remaining life (in years)	Weighted average exercise price (in ₹)
₹ 10- ₹ 15	128,000	2	11.34
₹ 16 - ₹ 45	1,018,750	5	37.22
₹ 46 - ₹ 90	50,000	7	56.55

(b) Fair value of options granted

The fair value at grant date of options granted during the year ended March 31, 2019 was INR 11.91 per option (March 31, 2018: INR 29.65 per option). The fair value at grant date is determined using the Black-Scholes Model which takes into account the exercise price, the term of the option, the

Notes to Standalone financial statements for the year ended March 31, 2019

share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option. The value of the option has been determined by an independent valuer.

The model inputs for options granted during the period ended March 31, 2019 and March 31, 2018 included:

	For the year ended March 31, 2019	For the year ended March 31, 2018
Dividend Yield	2%	2%
Expected Volatility	58%	60%
Risk free interest rate	7.51%	6.86%
Expected life of share options	7 years	7 years

The expected price volatility is based on the historic volatility (based on the remaining life of the option), adjusted for any expected changes to future volatility due to publicly available information.

(c) Expense arising from share based payment transactions

Total expenses arising from share based payment transactions recognised in profit or loss as part of employee benefit expense were as follows:

	March 31, 2019	March 31, 2018
Employee stock option	26.67	37.49
Total employee share-based payment expense	26.67	37.49

- 44 Effective April 1, 2018, the Company adopted Ind AS 115, Revenue from Contracts with Customers, using the cumulative catch-up transition method, applied to contracts that were not completed as of April 1, 2018. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted. The effect on adoption of Ind AS 115 was insignificant.
- 45 The Company is yet to receive balance confirmations in respect of certain financial assets and financial liabilities. The Management does not expect any material difference affecting the current year's financial statements due to the same.
- 46 The Company has invested ₹ 1,534.03 lakhs (Previous Year ₹ 1,534.03 lakhs) in its Wholly Owned Subsidiary viz. CyberTech Systems and Software Inc., USA, which has accumulated losses of ₹ 597.78 lakhs (Previous Year ₹ 1,374.45 lakhs) as at the year end. The Company has invested ₹ 138.68 lakhs (Previous Year ₹ Nil) in its Wholly Owned Subsidiary viz. Spatialitics LLC., USA, which has accumulated losses of ₹ 177.82 lakhs (Previous Year Nil) as at the year end. However, being a long term and strategic investment, there is a reasonable certainty that there will be no diminution in the value of these investments, and therefore, no provisioning has been considered necessary.
- 47 The previous year's figures have been regrouped/re-classified wherever required to conform to current years classification.
- 48 The financial statements were approved for issue by the Board of Directors on May 09, 2019.

For and on behalf of the Board of Directors

Sudhir Joshi
Director
DIN: 00349597

Ramasubramanian Sankaran
Executive Director
DIN: 05350841

Praveen Agarwal
Chief Financial Officer

Sarita Leelaramani
Company Secretary

Place : Mumbai
Date : May 09, 2019

CYBERTECH SYSTEMS AND SOFTWARE LIMITED
CONSOLIDATED
FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR 2018-19

INDEPENDENT AUDITORS' REPORT

To The Members of Cybertech Systems & Software Limited

Opinion

We have audited the consolidated financial statements of **Cybertech Systems & Software Limited** ("the Parent Company") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") which comprises of consolidated Balance Sheet as at 31st March, 2019, the consolidated Statement of Profit & Loss (including other comprehensive income), the consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flows for the year than ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information in which are included in the consolidated financial statements for the year ended on that date.

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors on separate financial statements of the subsidiaries referred to in Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the Act) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Group as at 31st March, 2019, its profits, other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the sub-paragraph (a) of the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matters	Auditor's response
1	<p>Fair value assessment of trade receivables and unbilled revenue</p> <p>Trade receivables and unbilled revenue comprise a significant portion of the Group's liquid assets. As indicated in Note 11 and Note 15 of the consolidated financial statements, 26.13 % and 36.77 % of the trade receivables and unbilled revenue respectively are past due but not impaired.</p> <p>The most significant portion of trade receivables and unbilled revenue over 90 days comprises large customers being city municipal corporations.</p> <p>Accordingly, the estimation of the allowance for trade receivables is a significant judgement area and is therefore considered a key audit matter.</p>	<p>Audit procedure performed :-</p> <ul style="list-style-type: none"> - We have evaluated and tested the Group's processes for trade receivables and unbilled revenue, including the provisioning and collection processes. - We tested, enquired and assessed the unbilled revenue as per the terms of the contract and its billing in likely future. - We assessed the validity of material long outstanding receivables by requesting third-party confirmations of amounts owed. We also considered payments received subsequent to year-end, past payment history and unusual patterns to identify potentially impaired balances. - Where there were indicators that trade receivables were unlikely to be collected within contracted payment terms, we assessed the adequacy of the allowances for impairment of trade receivables and unbilled revenue. - We were satisfied that the Group's trade receivables and unbilled revenue are fairly valued and adequately provided against where doubt exists. We further considered whether the provisions were misstated and concluded that they were appropriate in all material respects, and disclosures related to trade receivable and unbilled revenue in the Consolidated financial statements are appropriate.

2	<p>Capitalisation of software (Intangible assets under development) :-</p> <p>Given the Group's continued development of its Software, internally generally intangible assets and the size of the capitalised cost, balance of ₹ 1,238.39 lakh as at 31st March, 2019, of which ₹ 733.45 lakh has been capitalised during the year, we continue to focus on this area. Software can have complex development cycles, often over many phases, spanning three to four years, or more. New technology also brings a risk of impairment.</p>	<p>Audit procedure performed :-</p> <ul style="list-style-type: none"> - We tested internal financial controls, including IT controls, over the approval, development of new software and management's assessment of impairment. - We assessed the costs capitalised which meets the requirements of IAS 38 'Intangible Assets'.
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Information Other than the Consolidated Financial Statements and auditor's report thereon

The Parent Company's Board of Directors is responsible for the preparation of other information. The Other information comprises the information included in the Board's Report including Annexures to the Board report but does not include the consolidated financial statement and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries audited by the other auditors and, in doing so, place reliance on the other auditors, and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries, is traced from their financial statements audited by the other auditors.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management responsibilities for the Consolidated Financial Statements

The Parent Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Account) Rules, 2014.

The respective Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the Companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the respective companies or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group has adequate internal financial control system in place and the operating effectiveness of such controls.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the respective entities ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that individually or in aggregate makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work and (ii) to evaluate the effect of an identified misstatement in the consolidated financial statements.

We communicate with those charged with governance of the Parent Company of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the financial statements of two subsidiary companies whose financial statements reflect total assets of ₹ 4,465.22 Lakh as at 31st March, 2019 and total revenue for the year ended 31st March, 2019 of ₹ 8877.31 lakh and net cash flows amounting to ₹ 896.09 Lakh for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law maintained by the Group have been kept so far as it appears from our examination of those books and records.
- (c) The Consolidated Balance sheet, the Consolidated Statement of Profit & Loss, Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Account) Rules, 2014.

- (e) On the basis of the written representations received from the directors of the Parent Company as on 31st March, 2019 taken on record by the Board of Directors of the Parent Company, none of the directors of the Parent Company are disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Parent Company and the operating effectiveness of such controls, please refer Annexure B of the standalone audit report attached with the standalone financial statements included in this annual report.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the respective companies to its directors during the year is in accordance with the provisions of Section 197 of the Act.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Group has disclosed the impact of pending litigations on its financial performance in its consolidated financial statements. Refer Note No.-32 to the consolidated financial statements.
 - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent Company.

For BAGARIA & CO. LLP
Chartered Accountants
Firm Registration No: 113447W/W-10019

Vinay Somani
Partner
Membership No. 143503

Place: Mumbai
Date: May 09, 2018



CyberTech

Systems and Software Limited

Consolidated Balance Sheet as at March 31, 2019

(₹ in Lakhs)

Particulars	Note	As at March 31, 2019	As at March 31, 2018
I. ASSETS			
1 Non-current assets			
Property, plant and equipment	2	3,038.47	2,830.11
Capital work-in-progress	3	269.18	750.72
Investment property	4	892.37	788.97
Intangible assets	5	487.38	774.69
Intangible assets under development	6	1,238.39	504.94
Financial assets			
Investments	7	955.02	799.82
Other financial assets	8	41.46	31.46
Other non-current assets	9	20.70	11.82
Total non-current assets		6,942.97	6,492.53
2 Current assets			
Financial assets			
Investments	10	1,272.81	617.30
Trade receivables	11	2,470.51	2,578.94
Cash and cash equivalents	12	1,704.70	918.21
Bank balances other than above	13	66.33	113.67
Loans	14	3.20	0.55
Other financial assets	15	575.55	564.17
Other current assets	16	183.69	154.43
Total current assets		6,276.79	4,947.27
Total Assets		13,219.76	11,439.80
II EQUITY AND LIABILITIES			
1 Equity			
Equity share capital	17	2,751.56	2,741.46
Other equity	18	5,563.39	4,811.75
Total equity		8,314.95	7,553.21
2 Liabilities			
A Non-current liabilities			
Financial liabilities			
Other financial liabilities	19a	244.21	138.43
Deferred tax liabilities (net)	40	172.16	211.81
Total non current liabilities		416.37	350.24
B Current liabilities			
Financial liabilities			
Borrowings	20	1,783.71	1,092.54
Trade payables	21		
-Total outstanding dues of micro enterprises and small enterprises		2.92	
-Total outstanding dues of creditors other than micro enterprises and small enterprises		1,081.67	959.30
Other financial liabilities	19b	31.58	93.61
Other current liabilities	22	364.72	216.60
Provisions	23	224.46	195.19
Current tax liabilities (Net)	24	999.38	979.11
Total current liabilities		4,488.44	3,536.35
Total equity and liabilities		13,219.76	11,439.80
Significant accounting policies			
		1B	
The accompanying notes are an integral part of the consolidated financial statements			

As per our report of even date

For BAGARIA & CO. LLP

Chartered Accountants
Firm Registration Number - 113447W/W-10019

Vinay Somani

Partner
M. No. 143503

Place: Mumbai
Date: May 09, 2019

For and on behalf of the Board of Directors

Sudhir Joshi

Director
DIN: 00349597

Praveen Agarwal
Chief Financial Officer

Ramasubramanian Sankaran

Executive Director
DIN: 05350841

Sarita Leelaramani
Company Secretary

Consolidated Statement of Profit and Loss for the year ended March 31, 2019

(₹ in Lakhs)			
Particulars	Note	For the year ended March 31, 2019	For the year ended March 31, 2018
I Revenue from Operations	25	9,676.44	8,705.03
II Other Income	26	634.43	815.47
III Total Income (I + II)		10,310.87	9,520.50
IV Expenses			
Cost of hardware/software package for service delivery and outsourced project cost		674.88	918.74
Employee benefits expense	27	5,970.02	5,573.28
Finance costs	28	109.08	186.95
Depreciation and amortisation expense	29	656.90	557.65
Other expenses	30	1,678.81	1,888.93
Total expenses (IV)		9,089.69	9,125.55
V Profit before tax (III - IV)		1,221.18	394.95
VI Tax expense			
Current tax		230.00	160.00
Deferred tax (credit)		(35.00)	(73.51)
Tax adjustments for earlier years		3.18	(8.44)
		198.18	78.05
VII Profit for the year (V - VI)		1,023.00	316.90
VIII Other comprehensive income			
Items that will not be reclassified to profit or loss-(Gain/(Loss))			
Remeasurements of net defined benefit plans		(16.71)	(2.52)
Income tax relating to items that will not be reclassified to profit or loss		4.64	0.69
(ii) Items that will be reclassified to profit & loss			
a. Exchange differences on translation of foreign operations		37.96	12.75
b. Income tax relating to items that will not be reclassified to profit & loss		-	-
Other comprehensive income for the year (VIII)		25.89	10.92
IX Total comprehensive income for the year VII - VIII)		1,048.89	327.82
X Earnings per equity share of ₹ 10 each:	31		
Basic earnings per share		3.68	1.16
Diluted earnings per share		3.65	1.14

Significant accounting policies

1B

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date

For BAGARIA & CO. LLP

Chartered Accountants
Firm Registration Number - 113447W/W-10019

Vinay Somani

Partner
M. No. 143503

Place: Mumbai
Date: May 09, 2019

For and on behalf of the Board of Directors

Sudhir Joshi

Director
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Executive Director
DIN: 05350841

Sarita Leelaramani
Company Secretary
ACS35587



Consolidated Statement of Changes in Equity for the year ended March 31, 2019

(A) Equity share capital

	(₹ in Lakhs)
	Amount
Balance as at March 31, 2017	2,707.83
Changes in share capital during the year	33.63
Balance as at March 31, 2018	2,741.46
Changes in share capital during the year	10.10
Balance as at March 31, 2019	2,751.56

(B) Other Equity

Particulars	(₹ in Lakhs)							
	Capital Reserve	Money received against share warrants	Securities Premium	Equity Settled Employee Benefits Reserve	Retained Earnings	Foreign currency translation reserve	Other comprehensive income {Other actuarial gains/(losses)}	Total
Balance as at March 31, 2017	-	167.50	1,686.85	111.33	2,702.47	97.70	(10.37)	4,755.48
Received during the year on issue of shares under ESOP	-	-	20.90	-	-	-	-	20.90
Profit for the year	-	-	-	-	316.91	-	-	316.91
Other comprehensive income for the year	-	-	-	-	-	-	(1.82)	(1.82)
Employee share based payment	-	-	-	37.49	-	-	-	37.49
Foreign currency translation reinstatement	-	-	-	-	-	12.75	-	12.75
Dividend paid (including dividend distribution tax of ₹ 55.81 Lakhs)	-	-	-	-	(329.96)	-	-	(329.96)
Balance as at March 31, 2018	-	167.50	1,707.75	148.82	2,689.42	110.45	(12.19)	4,811.75
Received during the year on issue of shares under ESOP	-	-	7.79	-	-	-	-	7.79
Profit for the year	-	-	-	-	1,023.00	-	-	1,023.00
Other comprehensive income for the year	-	-	-	-	-	-	(12.07)	(12.07)
Employee share based payment	-	-	-	26.67	-	-	-	26.67
Foreign currency translation reinstatement	-	-	-	-	-	37.96	-	37.96
Transferred to capital reserve on forfeiture of 167.50 share warrants	-	(167.50)	-	-	-	-	-	-
Dividend paid (including dividend distribution tax of ₹ 56.56 Lakhs)	-	-	-	-	(331.71)	-	-	(331.71)
Balance as at March 31, 2019	167.50	-	1,715.54	175.49	3,380.71	148.41	(24.26)	5563.39

Significant Accounting Policies

1B

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date

For BAGARIA & CO. LLP

Chartered Accountants

Firm Registration Number - 113447W/W-10019

Vinay Somani

Partner

M. No. 143503

Place : Mumbai

Date : May 09, 2019

For and on behalf of the Board of Directors

Sudhir Joshi

Director

DIN: 00349597

Praveen Agarwal

Chief Financial Officer

Ramasubramanian Sankaran

Executive Director

DIN: 05350841

Sarita Leelaramani

Company Secretary

Consolidated Statement of Cash Flows for the Year Ended March 31, 2019

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
		(₹ in Lakhs)
A. Cash flow from operating activities		
Profit before tax	1,221.18	394.95
Adjustments to reconcile net profit to net cash provided by operating activities :		
Depreciation and amortisation expense	656.90	557.65
Unrealised foreign exchange gain	-	(3.78)
Loss on assets disposed / discarded (Net)	3.10	20.89
Interest income	(6.49)	(38.35)
Finance cost	109.08	186.95
Provision for doubtful receivables, deposits & expected credit losses	50.15	204.60
Sundry credit balances written back (net)	(2.25)	(8.73)
Employee share based payments	26.67	37.49
Profit on sale of investments in mutual funds	(6.71)	(8.15)
Gain on fair valuation of investments in mutual funds	(94.37)	(95.77)
	736.08	852.80
Operating profit before working capital changes	1,957.26	1,247.75
Adjustments for:		
Increase/(Decrease) in trade receivables	58.28	(755.01)
Decrease/(Increase) in loans, other financial assets and other assets	(18.92)	778.82
Increase in trade payables, other financial liabilities and other liabilities	423.50	128.48
	462.86	152.29
Cash generated from operations	2,420.12	1,400.04
Direct taxes paid (net)	(212.93)	(186.57)
Net cash flow generated from operating activities (A)	2,207.19	1,213.46
B. Cash flow from investing activities		
Purchase of property, plant & equipment (Including capital work-in-progress)	(544.38)	(262.06)
Purchase of Intangible assets (including cost incurred on intangible assets under development)	(446.14)	(480.53)
Sale of property, plant & equipment	0.61	1.63
Purchase of investments	(899.99)	-
Sale of investments	190.36	108.15
Interest received	10.58	38.35
Net cash flow used in investing activities (B)	(1,688.96)	(594.46)
C. Cash flow from financing activities		
Proceeds/(Repayments) from short-term borrowings (net) (Refer note 1)	691.17	96.09
Proceeds for equity issue under ESOP (including securities premium)	17.89	54.52
Money received/(Paid) against share warrants	-	(1.94)
Interest paid	(109.08)	(186.95)
Dividend and dividend tax paid thereon	(331.72)	(329.96)
Net cash flow from/(used) in financing activities (C)	268.26	(368.24)
Net Increase in cash & cash equivalents (A + B + C)	786.49	250.76



Consolidated Statement of Cash Flows for the Year Ended March 31, 2019

(₹ in Lakhs)

Cash & cash equivalents - Opening	918.21	667.45
Cash & cash equivalents - Closing	1,704.70	918.21

Note 1

Changes in liability arising from financing activities

	As at April 01, 2018	Cash Flows	As at March 31, 2019
Borrowings - Current (Refer note no. 20)	1,092.54	691.17	1,783.71

Significant Accounting Policies

1B

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date

For BAGARIA & CO. LLP

Chartered Accountants

Firm Registration Number - 113447W/W-10019

Vinay Somani

Partner Director

M. No. 143503

Place: Mumbai

Date: May 09, 2019

For and on behalf of the Board of Directors

Sudhir Joshi

Executive Director

DIN: 00349597

Praveen Agarwal

Chief Financial Officer

Ramasubramanian Sankaran

DIN: 05350841

Sarita Leelaramani

Company Secretary

Notes to Consolidated financial statements for the year ended March 31, 2019

'NOTE '1'

The consolidated financial statements comprises financial statements of Cybertech Systems and Software Limited (Parent Company) and its subsidiary in USA (hereinafter to be referred as the Group) for the year ended March 31, 2019.

A. CORPORATE INFORMATION:

CyberTech Systems and Software Limited (the 'Company') was incorporated on January 19, 1995. Along with its subsidiary in USA, the Company provides Information Technology services to customers primarily in the USA and India with focus on next-generation geospatial, networking and enterprise IT solutions. The Company offers services that span across all major industries including government, education, utilities, public safety & homeland defense, technology, telecom, retail, healthcare, and manufacturing. The Company is focused on delivering its development and support projects on an offshore basis. The Company has Incorporated the wholly owned subsidiary In the name and style of 'Spatialitics', LLC in the state of USA. The Company is a public limited company incorporated and domiciled in India and has its registered office in Thane, India. The Company has its primary listings on the BSE Limited and National Stock Exchange Limited in India.

The Company is a public limited company incorporated and domiciled in India and has its registered office in Thane, India. The Company has its primary listings on the BSE Limited and National Stock Exchange Limited in India.

B. SIGNIFICANT ACCOUNTING POLICIES:

(i) Basis of Preparation of Financial Statements:

These Consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting standards) Rules, 2015 as amended from time to time and other related provisions of the Act.

The financial statements of the Group are prepared on the accrual basis of accounting and Historical cost convention except for the following material items that have been measured at fair value as required by the relevant Ind AS:

- (i) Certain financial assets and liabilities are measured at Fair value - Refer note no.1(B)(viii)
- (ii) Defined benefit employee plan - Refer note no.1(B)(xii)
- (iii) Derivative Financial instruments - Refer note no.1(B)(vii)

The accounting policies are applied consistently to all the periods presented in the financial statements. All assets and liabilities have been classified as current or non current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

The Consolidated financial statements are presented in INR, the functional currency of the Group. All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Parent Group and its subsidiaries as at March 31, 2019.

Subsidiaries

Subsidiaries are all entities over which the Group has control. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Group controls an investee if and only if the Group has

- (a) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- (b) Exposure, or rights, to variable returns from its involvement with the investee
- (c) The ability to use its power over the investee to affect its returns

Consolidation of a subsidiary begins when the group obtains control over the subsidiary and ceases when the Group losses control of the subsidiary.

Consolidation Procedure

Subsidiaries

(a) Combine, on line by line basis like items of assets, liabilities, equity, income, expenses and cash flows of the Parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

(b) Offset (eliminate) the carrying amount of the Parent's investment in each subsidiary and the Parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

Notes to Consolidated financial statements for the year ended March 31, 2019

(c) Eliminate in full intra-group assets and liabilities, equity, income, expenses and Cash flows relating to transactions between entities of the Group (profits or losses resulting from intra-group transactions that are recognised in assets, such as inventory and property, plant and equipment (PPE), are eliminated in full). Intra-group losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intra-group transactions.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Parent Group and to the noncontrolling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Parent Group and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

Changes in the Group's ownership interest in existing subsidiaries:

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the group.

When the Group loses control of a subsidiary, a gain or loss is recognised in consolidated statement of profit and loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any noncontrolling interests.

(ii) Use of Estimates and judgments:

The preparation of the financial statements requires the Management to make, judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. The recognition, measurement, classification or disclosure of an item or information in the financial statements is made relying on these estimates. The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the management and are based on historical experience and various other assumptions and factors (including expectations of future events) that the management believes to be reasonable under the existing circumstances. Actual results may differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

Critical accounting judgments and key source of estimation uncertainty

The Group is required to make judgments, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. The estimates and underlying assumptions are reviewed on an on-going basis.

- (a) Recognition and measurement of defined benefit obligations, key actuarial assumptions - Refer note no. 1(B)(xii)
- (b) Estimation of current tax expenses and payable - Refer note no. 1(B)(xiii)
- (c) Derivative Financial instruments - Refer note no. 1(B)(xi)

(iii) Property, plant and equipment (PPE)

Property, plant and equipment is stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any.

The cost of an item of property, land and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable costs of bringing the asset to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure are included in the assets carrying amount or recognized as a separate asset, as appropriate only if it is probable that the future economic benefits associated with the item will flow to the Group and that the cost of the item can be reliably measured.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital working-progress".

(iv) Intangible assets

Intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Notes to Consolidated financial statements for the year ended March 31, 2019

(v) Impairment

Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated depreciation) had no impairment loss been recognized for the asset in prior years.

(vi) Depreciation and Amortization:

(a) Property plant and equipment (PPE)

Depreciation is provided on a pro-rata basis on the straight line method based on estimated useful life prescribed under Schedule II to the Companies Act, 2013.

The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate.

(b) Intangible assets

The useful lives of intangible assets are assessed as either finite or indefinite. Finite-life intangible assets are amortised on a straight-line basis over the period of their expected useful lives.

The amortisation period and the amortisation method for finite life intangible assets is reviewed at each financial year end and adjusted prospectively, if appropriate. For indefinite life intangible assets, the assessment of indefinite life is reviewed annually to determine whether it continues, if not, it is impaired or changed prospectively based on revised estimates.

(vii) Financial Instruments:

Financial assets - Initial recognition:

Financial assets are recognised when the Group becomes a party to the contractual provisions of the instruments. On initial recognition, a financial asset is recognised at fair value, in case of Financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost are recognised in the statement of profit and loss. In other cases, the transaction cost are attributed to the acquisition value of the financial asset.

Subsequent measurement:

Financial assets are subsequently classified as measured at:

- amortised cost
- fair value through profit & loss (FVTPL)
- fair value through other comprehensive income (FVTOCI)

The above classification is being determined considering the:

- (a) the entity's business model for managing the financial assets and
- (b) the contractual cash flow characteristics of the financial asset.

Financial assets are not reclassified subsequent to their recognition, except if and in the period the Group changes its business model for managing financial assets.

(i) Measured at amortised cost:

Financial assets are subsequently measured at amortised cost, if these financial assets are held within a business module whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified date to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Measured at fair value through other comprehensive income (FVTOCI):

Financial assets are measured at FVTOCI, if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.



Notes to Consolidated financial statements for the year ended March 31, 2019

(iii) Measured at fair value through profit or loss (FVTPL):

Financial assets other than equity instrument are measured at FVTPL unless it is measured at amortised cost or at FVTOCI on initial recognition. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised in the Statement of Profit and Loss.

Equity instruments:

On initial recognition, the Group can make an irrevocable election (on an instrument-by instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to Statement of Profit and Loss on disposal of the investments.

Dividends on these investments in equity instruments are recognised in Statement of Profit and Loss when the Group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. Dividends recognised in Statement of Profit and Loss are included in the 'Other income'.

Impairment

The Group recognises a loss allowance for Expected Credit Losses (ECL) on financial assets that are measured at amortised cost and at FVOCI. The credit loss is difference between all contractual cash flows that are due to an entity in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. This is assessed on an individual or collective basis after considering all reasonable and supportable including that which is forward looking.

The Group's trade receivables or contract revenue receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall, being simplified approach for recognition of impairment loss allowance.

Under simplified approach, the Group does not track changes in credit risk. Rather it recognizes impairment loss allowance based on the lifetime ECL at each reporting date right from its initial recognition. The Group uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For financial assets other than trade receivables, the Group recognises 12 months expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. If, in a subsequent period, credit quality of the instrument improves such that there is no longer significant increase in credit risks since initial recognition, then the Group reverts to recognizing impairment loss allowance based on 12 months ECL. The impairment losses and reversals are recognised in Statement of Profit and Loss. For equity instruments and financial assets measured at FVTPL, there is no requirement of impairment testing.

Derecognition

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers rights to receive cash flows from an asset, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement.

In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Financial Liabilities

Initial Recognition and measurement

Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments. Financial liabilities are initially recognised at fair value net of transaction costs for all financial liabilities not carried at fair value through profit or loss.

The Group's financial liabilities includes trade and other payables, loans and borrowings including bank overdrafts.

Subsequent measurement

Financial liabilities measured at amortised cost are subsequently measured at using Effective Interest Rate (EIR) method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

Notes to Consolidated financial statements for the year ended March 31, 2019

Loans & Borrowings:

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using EIR method. Gains and losses are recognized in profit & loss when the liabilities are derecognized as well as through EIR amortization process.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

Derivative financial instruments

The Group uses derivative financial instruments, such as forward foreign exchange contracts, to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value, with changes in fair value recognised in Statement of Profit and Loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(viii) Fair Value Measurement

The Group measures financial instruments, such as, derivatives, investments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- (a) In the principal market for the asset or liability, or
- (b) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- (i) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- (ii) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- (iii) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above

(ix) Cash and Cash Equivalents:

Cash and Cash equivalents include cash and Cheque in hand, bank balances, demand deposits with banks and other short-term highly liquid investments that are readily convertible to known amounts of cash & which are subject to an insignificant risk of changes in value where original maturity is three months or less.

(x) Foreign Currency Transactions:

a) Initial Recognition

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss of the year.



Notes to Consolidated financial statements for the year ended March 31, 2019

b) Measurement of Foreign Currency Items at the Balance Sheet Date

Foreign currency monetary items of the Group are restated at the closing exchange rates. Non monetary items are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising out of these transactions are charged to the Statement of Profit and Loss.

(xi) Revenue Recognition:

The Group derives revenues primarily from information technology services comprising of software development, consulting and customer support services, and from the licensing of software products and platforms.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration expected to be received in exchange for those products or services.

Arrangements with customers for information technology services are either on a fixed-price, fixed-time frame or on a time-and-material basis.

Revenue on time-and-material contracts are recognized as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognized as unbilled revenue. Revenue from fixed-price, fixed-time frame contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage-of-completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Maintenance revenue is recognized ratably over the term of the underlying maintenance arrangement.

Revenues in excess of invoicing are classified as contract assets (which we refer to as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (which we refer to as Income billed in advance).

Revenue from licenses where the customer obtains a "right to use" the licenses is recognized at the time the license is made available to the customer. Revenue from licenses where the customer obtains a "right to access" is recognized over the access period. Arrangements to deliver software products generally have three elements : license, implementation and Annual Maintenance Services (AMS). The Company has applied the principles under Ind AS 115 to account for revenues from these performance obligations. When implementation services are provided in conjunction with the licensing arrangement and the license and implementation have been identified as two separate performance obligations, the transaction price for such contracts are allocated to each performance obligation of the contract based on their relative standalone selling prices. In the absence of standalone selling price for implementation, the performance obligation is estimated using the expected cost plus margin approach. Where the license is required to be substantially customized as part of the implementation service, the entire arrangement fee for license and implementation is considered to be a single performance obligation and the revenue is recognized using the percentage-of-completion method as the implementation is performed. Revenue from client training, support and other services arising due to the sale of software products is recognized as the performance obligations are satisfied. AMS revenue is recognized ratably over the period in which the services are rendered.

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch-up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

The Group presents revenues net of indirect taxes in its Statement of Profit and Loss.

Interest

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable and based on Effective interest rate method.

Dividend

Dividend Income is recognized when right to receive the same is established.

(xii) Employee Benefits:

The Group has provides following post-employment plans:

- (a) Defined benefit plans such a gratuity
- (b) Defined contribution plans such as Provident fund

a) Defined-benefit plan:

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of defined benefit obligations at the end of the reporting period less fair value of plan assets. The defined benefit obligations is calculated annually by actuaries through actuarial valuation using the projected unit credit method.

Notes to Consolidated financial statements for the year ended March 31, 2019

The Group recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- (a) Service costs comprising current service costs, past-service costs, gains and losses on curtailment and non-routine settlements; and
- (b) Net interest expense or income

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and fair value of plan assets. This cost is included in employee benefit expenses in the Statement of Profit & Loss.

Re-measurement comprising of actuarial gains and losses arising from

- (a) Re-measurement of Actuarial(gains)/losses
- (b) Return on plan assets, excluding amount recognized in effect of asset ceiling
- (c) Re-measurement arising because of change in effect of asset ceiling

are recognised in the period in which they occur directly in 'Other comprehensive income'. Re-measurement are not reclassified to profit or loss in subsequent periods.

Ind AS 19 requires the exercise of judgment in relation to various assumptions including future pay rises, inflation and discount rates and employee and pensioner demographics. The Group determines the assumptions in conjunction with its actuaries, and believes these assumptions to be in line with best practice, but the application of different assumptions could have a significant effect on the amounts reflected in the income statement, other comprehensive income and balance sheet. There may be also interdependency between some of the assumptions.

b) Defined-contribution plan:

Under defined contribution plans, provident fund, the Group pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. Defined Contribution plan comprise of contributions to the employees' provident fund with the government, superannuation fund and certain state plans like Employees' State Insurance and Employees' Pension Scheme. The Group's payments to the defined contribution plans are recognised as expenses during the period in which the employees perform the services that the payment covers.

c) Other employee benefits:

(a) Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the obligation as at the Balance sheet date determined based on an actuarial valuation.

(b) Undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the period when the employee renders the related services.

(xiii) Taxes on Income:

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

Current tax is based on taxable profit for the year. Taxable profit is different from accounting profit due to temporary differences between accounting and tax treatments, and due to items that are never taxable or tax deductible. Tax provisions are included in current liabilities. Interest and penalties on tax liabilities are provided for in the tax charge. The Group offsets, the current tax assets and liabilities (on a year on year basis) where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis or to realise the assets and liabilities on net basis.

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements. Deferred income tax asset are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred tax assets are not recognised where it is more likely than not that the assets will not be realised in the future.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Minimum Alternative Tax ('MAT') credit is recognised as an asset only when and to the extent there is convincing evidence that the Group will pay normal income-tax during the specified period. The Group reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Group will pay normal income-tax during the specified period.



Notes to Consolidated financial statements for the year ended March 31, 2019

(xiv) Borrowing Cost :

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalized as a part of Cost of that assets, during the period till all the activities necessary to prepare the Qualifying assets for its intended use or sale are complete during the period of time that is required to complete and prepare the assets for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are recognized as an expense in the period in which they are incurred.

(xv) Earnings per share :

Basic earnings per shares are calculated by dividing the net profit or loss after tax for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to the equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

(xvi) Leases :

Where the Group is Lessee

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on accrual basis as per the terms of agreements entered with the counter parties.

Where the Group is Lessor

Leases in which the Group does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in property, plant and equipment. The Group recognizes lease rentals from the property leased out, on accrual basis as per the terms of agreements entered with the counter parties. Costs, including depreciation, are recognized as an expense in the Statement of Profit and Loss.

(xvii) Provisions, Contingent Liabilities and Contingent Assets:

A provision is recognised if, as a result of a past event, the group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Group from a contract are lower than the unavoidable costs of meeting the future obligations under the contract.

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources or an obligation for which the future outcome cannot be ascertained with reasonable certainty. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are neither recognized nor disclosed in financial statements.

Recent accounting pronouncements.

Ind AS 116 - Leases

On March 30, 2019, Ministry of Corporate affairs have notified Ind AS 116 – “Leases”. Ind As 116 will replace the existing leases standards Ind As 17 – “Leases” and related interpretations. The new standard sets out the principles for the recognition, measurement, presentation and disclosures of lease for both lease and lessor. Ind AS 116 introduces a single lease accounting model and requires a lessee to recognise the assets and liabilities for all leases with a term of more than 12 months, unless the underlying assets are of low value. Ind As 116 substantially carried forward the accounting treatment prescribed for lessor. The effective date for adoption of Ind AS 116 is annual period beginning on or after April 01, 2019. The Group is evaluating the impact of the issued Ind AS 116 on its financial statements.

Ind AS 12 –“Income taxes” - Appendix C – Uncertainty over income tax treatments

On March 30, 2019, Ministry of Corporate affairs have notified Appendix C to Ind As 12, uncertainty over the income tax treatments which is to be applied while performing the determination of taxable profits/(loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, The Group needs to determine the probability of the relevant tax authorities accepting the each tax treatments that the companies have used or plan to use in their income tax filings which has to be considered to compute the most likely amount or expected value of the tax treatments, when determining the taxable profits/(loss), tax bases, unused tax losses, unused tax credits and tax rates. The effective date for adoption of Ind AS 116 is annual period beginning on or after April 01, 2019. The Group is evaluating the impact of the issued appendix C on its financial statements.

Notes to Consolidated financial statements for the year ended March 31, 2019

2 Property, plant and equipment

	(₹ in Lakhs)							
	Land Leasehold	Buildings	Plant & equipment	Furniture & fixtures	Vehicles	Office equipment	Computers	Total
Gross carrying amount								
Balance as at March 31, 2017	23.78	1448.95	295.38	1094.95	48.59	64.78	240.85	3,217.28
Additions	-	-	1.27	91.49	4.52	13.67	109.49	220.44
Disposals	-	-	0.78	20.24	3.19	6.91	8.12	39.24
Balance as at March 31, 2018	23.78	1,448.95	295.87	1,166.20	49.92	71.54	342.22	3,398.48
Additions	-	363.65	12.21	47.72	-	4.52	88.05	516.15
Disposals	-	-	2.47	-	-	1.87	43.74	48.08
Balance as at March 31, 2019	23.78	1,812.60	305.61	1,213.92	49.92	74.19	386.53	3,866.55
Accumulated Depreciation								
Balance as at March 31, 2017	0.50	45.40	48.40	107.31	7.09	8.28	55.21	272.19
Additions	0.50	48.44	47.64	123.64	7.99	11.55	73.23	312.99
Disposals	-	-	0.46	5.57	1.18	4.77	4.83	16.81
Balance as at March 31, 2018	1.00	93.84	95.58	225.38	13.89	15.06	123.61	568.37
Depreciation charge for the year	0.50	51.32	48.31	117.75	7.87	12.83	85.61	324.19
Disposals	-	-	2.35	0.11	-	1.78	42.42	46.66
Transferred to investment property	-	17.82	-	-	-	-	-	17.82
Balance as at March 31, 2019	1.50	127.34	141.54	343.02	21.76	26.11	166.80	828.08
Net Block								
Balance as at March 31, 2018	22.78	1,355.11	200.29	940.82	36.03	56.48	218.61	2,830.11
Balance as at March 31, 2019	22.28	1,685.26	164.07	870.90	28.16	48.08	219.73	3,038.47

Notes:

- Refer note no. 20 for disclosure on property, plant and equipment pledged as security.
- Refer note no. 32 for disclosure on contractual commitments for the acquisition of property, plant and equipment.
- Land was taken on lease for 66 years from September, 1997.

	(₹ in Lakhs)				
3 Capital work-in progress	Building under construction	Furniture and fixtures	Office Equipments	Computers	Total
Balance as at March 31, 2017	736.15	-	-	-	736.15
Additions during the year	-	84.73	-	-	84.73
Capitalised during the year	-	70.16	-	-	70.16
Balance as at March 31, 2018	736.15	14.57	-	-	750.72
Additions during the year	-	29.84	2.26	15.64	47.74
Capitalised during the year	484.87	44.41	-	-	529.28
Balance as at March 31, 2019	251.28	-	2.26	15.64	269.18

4 Investment property

	(₹ in Lakhs)
Particulars	
Gross carrying amount	
Balance as at March 31, 2017	822.41
Additions	-
Disposals	-
Balance as at March 31, 2018	822.41
Additions	121.22
Disposals	-
Balance as at March 31, 2019	943.63
Accumulated depreciation	
Balance as at March 31, 2017	16.34



Notes to Consolidated financial statements for the year ended March 31, 2019

Additions	17.10
Disposals	
Balance as at March 31, 2018	33.44
Depreciation for the year	17.82
Disposals	-
Accumulated depreciation as at March 31, 2019	51.26
Balance as at March 31, 2018	788.97
Balance as at March 31, 2019	892.37

Note:

- Refer note no. 20 for certain Investment Property mortgaged as collateral security against bank borrowings
- Refer note no. 36 for information regarding income and expenditure of Investment property
- Investment property include ₹ 0.04 lakhs (previous year ₹ 0.04 Lakhs) being the value of 80 (Previous Year 80) shares of ₹ 50 each in Acme Plaza Premises Co-operative Society Ltd.
- Fair value of investment property

(₹ in Lakhs)

Particulars	As at	As at
	March 31, 2019	March 31, 2018
Investment Property	3,930.50	3,930.50

The fair value of investment property has been determined based on the Ready Reckoner value prevailing as on the date of Balance Sheet, which is considered to be best benchmarking of current prices in an active market

(₹ in Lakhs)

5 Intangible assets	Software
Balance as at March 31, 2017	533.12
Additions	638.82
Disposals/adjustment	(6.09)
Balance as at March 31, 2018	1,178.03
Additions	10.52
Disposals/adjustment	6.06
Balance as at March 31, 2019	1,182.49
Accumulated amortisation	
Balance as at April 01, 2017	158.69
Amortisation for the year	244.65
Disposals/adjustment	-
Balance as at April 01, 2018	403.34
Amortisation for the year	320.85
Disposals/adjustment	29.08
Accumulated depreciation as at March 31, 2019	695.11
Balance as at March 31, 2018	774.69
Balance as at March 31, 2019	487.38

6 Intangible assets under development	₹ in Lakhs
Software	
Balance as at March 31, 2017	642.39
Additions during the year	505.18
Capitalised during the year	642.63
Balance as at March 31, 2018	504.94
Additions during the year	733.45
Capitalised during the year	-
Balance as at March 31, 2019	1,238.39

Notes to Consolidated financial statements for the year ended March 31, 2019

		(₹ in Lakhs)	
7 Investments - Non-Current	As at March 31, 2019	As at March 31, 2018	
Unquoted, fully paid up			
Investments in Mutual Funds			
Designated as fair value through Profit or Loss			
UTI Income Opportunities Fund - Dir - Growth 3,432,014.329 (As at March 31, 2018- 3,432,014.329) units of ₹10 each	618.10	581.22	
UTI Money Market Fund - Dir - Growth 4,907.022 (As at March 31, 2018- NIL) units of ₹10 each	103.66	-	
BNP Paribas Corporate Bond Fund - Dir - Growth 1,117,818.019 (As at March 31, 2018- 1,117,818.019) units of ₹10 each	233.26	218.60	
	955.02	799.82	
	955.02	799.82	
Note:			
Aggregate amount of quoted investments and market value thereof	-	-	
Aggregate amount of unquoted investments;	955.02	799.82	
Aggregate amount of impairment in value of investments	-	-	
		(₹ in Lakhs)	
8 Other financial assets	As at March 31, 2019	As at March 31, 2018	
Non Current			
Unsecured, considered good			
Security Deposits	41.46	31.46	
Total	41.46	31.46	
		(₹ in Lakhs)	
9 Other non-current assets	As at March 31, 2019	As at March 31, 2018	
Prepaid expenses	20.70	11.82	
Total	20.70	11.82	
		(₹ in Lakhs)	
10 Investments - current	As at March 31, 2019	As at March 31, 2018	
Designated as Fair Value Through Profit and Loss			
Unquoted, fully paid up			
Investments in Mutual Funds			
UTI Treasury Advantage Fund - Institutional Plan (Growth Option) 7,650.55 (As at March 31, 2018- 7,650.55) units of ₹1,000 each	199.07	182.89	
UTI - Fixed Income Interval Fund - Annual Interval Plan Series - II - Direct Growth Plan 1,048,922.167 (As at March 31,2018- 1,817,113.576) units of ₹ 10 each	267.22	434.41	
UTI Fixed Term Income Fund Series- XXX - X (1267 Days) - Direct Growth Plan-xxx-x (1267 days) - I - Institutional Growth Plan 1,000,000.000 (As at March 31,2018- Nil) units of ₹10 each	105.81	-	
BNP Paribas Corporate Liquid Fund - Dir - Growth 24,392.782 (As at March 31, 2018-Nil) units of ₹10 each	700.71	-	
	1,272.81	617.30	
Aggregate amount of unquoted investments	1,272.81	617.30	
Aggregate amount of impairment in the value of investment	-	-	

Notes to Consolidated financial statements for the year ended March 31, 2019

	(₹ in Lakhs)	
11 Trade receivables Unsecured	As at March 31, 2019	As at March 31, 2018
Trade receivables considered good - Secured	-	-
Trade receivables considered good - Unsecured	2,470.51	2,578.94
Trade receivables which have significant increase in credit risk	263.50	225.50
Trade receivables-credit impaired	-	-
Total	2,734.01	2,804.44
Less: Provision for doubtful receivables and expected credit loss	(263.50)	(225.50)
Total	2,470.51	2,578.94

	(₹ in Lakhs)	
12 Cash and cash equivalents	As at March 31, 2019	As at March 31, 2018
Balances with Banks		
In current accounts	1,702.86	914.79
Cash on hand	1.84	3.42
Total	1,704.70	918.21

	(₹ in Lakhs)	
13 Bank balances other than above	As at March 31, 2019	As at March 31, 2018
Balances with Banks		
in unpaid dividend accounts	17.78	22.40
in fixed deposit accounts *		
-Deposits with maturity more than 3 months but less than 12 months	48.55	91.27
	66.33	113.67

*Fixed Deposits with Banks held as margin money against the following:
Guarantees issued to Municipal Corporations

48.55	91.27
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	(₹ in Lakhs)	
14 Loans	As at March 31, 2019	As at March 31, 2018
Loans Receivables considered good - Secured	-	-
Loans Receivables considered good - Unsecured		
Loans to employees	3.20	0.55
Total	3.20	0.55

	(₹ in Lakhs)	
15 Other financial assets	As at March 31, 2019	As at March 31, 2018
Unsecured, considered good		
Unbilled Revenue	481.95	485.32
Earmarked deposits	15.00	15.00
Security deposits		
Considered good	17.94	36.56
Considered doubtful	4.40	3.00
	22.34	39.56
Less: Provision for doubtful deposits	(4.40)	(3.00)
	17.94	36.56
Interest receivable on deposits	2.39	6.48
Claim receivables	-	20.81
Derivative Assets-Foreign exchange forward contracts	58.27	-
Total	575.55	564.17

Notes to Consolidated financial statements for the year ended March 31, 2019

16 Other current assets	(₹ in Lakhs)	
	As at March 31, 2019	As at March 31, 2018
Unsecured, considered good, unless otherwise stated		
Advances for supply of goods and rendering of services	2.98	23.09
Prepaid expenses	136.23	119.89
Lease equalisation	1.19	2.48
Advances to employees	19.49	5.90
Balances with government authorities	8.44	-
Other receivables	15.36	3.07
Total	183.69	154.43

17 Equity share capital	(₹ in Lakhs)	
	As at March 31, 2019	As at March 31, 2018
Authorised		
36,000,000 Equity Shares of ₹ 10 each	3,600.00	3,600.00
	3,600.00	3,600.00
Issued		
27,520,552 (As at March 31, 2018- 27,419,552) Equity Shares of ₹10 each	2,752.06	2,741.96
Subscribed and paid-up		
27,515,593 (As at March 31, 2018- 27,414,593) Equity Shares of ₹ 10 each *	2,751.56	2,741.46
*[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 National Securities Depository Limited]		
	2,751.56	2,741.46

a) Reconciliation of number of shares	(₹ in Lakhs)			
	As at March 31, 2019		As at March 31, 2018	
	Number of shares	Amount	Number of shares	Amount
Equity Shares :				
Balance as at the beginning of the year	27,414,593	2,741.46	27,078,343	2,707.83
Add: ESOP shares issued during the year (Refer note no:-43)	101,000	10.10	336,250	33.63
Balance as at the end of the year	27,515,593	2,751.56	27,414,593	2,741.46

b) Rights, preferences and restrictions attached to shares

Equity shares: The Parent Company has only one class of equity shares having a face value of ₹ 10 per share. Each shareholder has a right to vote in respect of such share, on every resolution and his voting right on a poll shall be in proportion to his share of the paid-up equity capital of the Parent Company. In the event of liquidation, the equity shareholders are entitled to receive the remaining assets of the Parent Company after payments to secured and unsecured creditors in proportion to their shareholding.

c) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Parent Company

	As at March 31, 2019		As at March 31, 2018	
	Nos.	%	Nos.	%
Vish Tadimety	5,721,141	20.79%	5,624,870	20.52%
Indotech Holdings LLC	3,900,000	14.17%	3,900,000	14.23%
Steven Jeske	2,431,433	8.84%	2,431,433	8.87%

d) During the previous five years, the Parent Company has not issued Bonus shares/bought back shares/issued shares for consideration other than cash.

e) Refer note no. 43 in respect of Employee Stock option Plan (ESOP Plan)



Notes to Consolidated financial statements for the year ended March 31, 2019

Particulars	(₹ in Lakhs)							
	Capital Reserve	Money received against share warrants	Securities Premium	Equity Settled Employee Benefits Reserve	Retained Earnings	Foreign currency translation reserve	Other comprehensive income {Other actuarial gains/(losses)}	Total
Balance as at March 31, 2017	-	167.50	1,686.85	111.33	2,702.47	97.70	(10.37)	4,755.48
Received during the year on issue of shares under ESOP	-	-	20.90	-	-	-	-	20.90
Profit for the year	-	-	-	-	316.91	-	-	316.91
Other comprehensive income for the year	-	-	-	-	-	-	(1.82)	(1.82)
Employee share based payment	-	-	-	37.49	-	-	-	37.49
Foreign currency translation reinstatement	-	-	-	-	-	12.75	-	12.75
Dividend paid (including dividend distribution tax of ₹ 55.81 Lakhs)	-	-	-	-	(329.96)	-	-	(329.96)
Balance as at March 31, 2018	-	167.50	1,707.75	148.82	2,689.42	110.45	(12.19)	4,811.75
Received during the year on issue of shares under ESOP	-	-	7.79	-	-	-	-	7.79
Profit for the year	-	-	-	-	1,023.00	-	-	1,023.00
Other comprehensive income for the year	-	-	-	-	-	-	(12.07)	(12.07)
Employee share based payment	-	-	-	26.67	-	-	-	26.67
Foreign currency translation reinstatement share warrants	-	-	-	-	-	37.96	-	37.96
Dividend paid (including dividend distribution tax of ₹ 56.56 Lakhs)	-	-	-	-	(331.71)	-	-	(331.71)
Balance as at March 31, 2019	167.50	-	1,715.54	175.49	3,380.71	148.41	(24.26)	5,563.39

Purpose of the reserves:

- 1 Capital reserve:** Capital reserve represents the forfeiture of application money received against share warrants.
- 2 Securities premium:** The amount received in excess of face value of the equity shares is recognised in securities premium. In case of equity-settled share based payment transactions, the difference between fair value of option on grant date and exercise price of share is transferred from equity settled share based payment reserve to securities premium at the time of exercise of options.
- 3 General reserve:** The reserve is a distributable reserve maintained by the Group out of transfers made from annual profits.
- 4 Equity settled employee benefits reserve:** The fair value of the equity-settled employee benefits reserve with employees is recognised in Statement of Profit and Loss with corresponding credit to Equity settled share employee benefits reserve. The same is transferred to securities premium at the time of exercise of options or to retained earnings in the event of forfeiture, non-vesting or lapse.
- 5 Retained earnings:** Retained earnings are the profits that the Group has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

19a) Other financial liabilities	(₹ in Lakhs)	
	As at March 31, 2019	As at March 31, 2018
Measured at amortised cost		
Non-current		
Security deposits received against leased premises	244.21	138.43
Non-current total (A)	244.21	138.43

Notes to Consolidated financial statements for the year ended March 31, 2019

19b) Current		
Security deposits received	0.27	3.53
Unclaimed dividend*	17.74	22.35
Payable for capital expenditure	13.57	67.73
Current total (B)	31.58	93.61
Total (A+B)	275.79	232.04

* There are no amounts due for payment to the Investor Education and Protection Fund under section 125 of the Companies Act, 2013 as at March 31, 2019.

(₹ in Lakhs)

20 Current borrowings	As at March 31, 2019	As at March 31, 2018
Secured		
Bank Overdraft (Refer note (iii))	428.57	222.62
Cash Credit (Refer note (iv))	1,355.14	869.92
Total	1,783.71	1,092.54

Note:

- i) Bank Overdraft from Bank carry interest @ 10.10% (previous year 10.10%) p.a computed on monthly basis on the actual amount utilised and are repayable on demand. Bank Overdraft is secured by way of mortgage of immovable property of the Parent Company at Thane and personal guarantee of Executive Director of the Parent company
- ii) Cash Credit from Bank carry interest @ 10.10% (previous year 10.10%) p.a. computed on monthly basis on the actual amount utilised and are repayable on demand. Cash credit is secured by way of-
 - a) hypothecation of book debts and other receivables
 - b) second charge on immovable property of the Parent Company at Thane, and
 - c) personal guarantee of Executive Director of the Parent company

(₹ in Lakhs)

21 Trade payables	As at March 31, 2019	As at March 31, 2018
Trade payables [Refer note below]		
-Total outstanding dues of micro enterprises and small enterprises	2.92	-
-Total outstanding dues of creditors other than micro enterprises and small enterprises	1,081.67	959.30
Total	1,084.59	959.30

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprises Development Act, 2006" ("the Act") is based on the information available with the Parent Company regarding the status of registration of such vendors under the Act, as per the intimation received from them on request made by the Parent Company.

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
1) The principal amount remaining unpaid to supplier as at the end of the accounting year	2.92	-
2) The interest due thereon remaining unpaid to supplier as at the end of the accounting year	-	-
3) The amount of interest paid in terms of Section 16, along with the amount of payment made to the supplier beyond the appointed day during the year	-	-
4) The amount of interest due and payable for the year	-	-
5) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
6) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-



Notes to Consolidated financial statements for the year ended March 31, 2019

(₹ in Lakhs)		
22 Other current liabilities	As at March 31, 2019	As at March 31, 2018
Income received in advance	293.47	169.82
Statutory dues	71.25	46.78
Total	364.72	216.60
(₹ in Lakhs)		
23 Provisions	As at March 31, 2019	As at March 31, 2018
Current		
Provision for employee benefits		
Provision for gratuity	86.63	78.99
Provision for compensated absences	137.83	116.20
Total	224.46	195.19
(₹ in Lakhs)		
24 Current tax liabilities (net)	As at March 31, 2019	As at March 31, 2018
Current		
Provision for tax	999.38	979.11
Net of advance tax ₹ 540.24 lakhs (As at March 31, 2018 ₹ 920 lakhs)		
Total	999.38	979.11
(₹ in Lakhs)		
25 Revenue from operations	For the Year ended March 31, 2019	For the Year ended March 31, 2018
From Sale of services -		
Information technology services	9,676.44	8,705.03
Total	9,676.44	8,705.03
(₹ in Lakhs)		
26 Other income	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Rent received	460.65	680.29
Less: rates and taxes (directly attributable)	(27.27)	(56.21)
	433.38	624.08
Interest income on:		
Loans	1.66	4.89
Deposit with banks	4.83	14.82
Income tax refund	-	18.65
Profit on sale of investments in mutual funds	6.71	8.15
Gain on fair valuation of Investments in mutual funds	94.37	95.77
Exchange gain (net)	81.82	37.60
Sundry credit balances written back (net)	2.25	8.73
Miscellaneous income	9.41	2.78
Total	634.43	815.47
(₹ in Lakhs)		
27 Employee benefits expense	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Salaries and wages	6273.23	5,712.62
Contribution to provident and other funds	54.47	41.19
Share based payment to employees	26.67	37.49
Staff welfare expenses	176.73	205.29
	6,531.10	5,996.59

Notes to Consolidated financial statements for the year ended March 31, 2019

Less: Transferred to intangible assets under development	(561.08)	(423.31)
Total	5,970.02	5,573.28

₹ in Lakhs)

28 Finance costs	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Interest expense	90.24	112.85
Other finance cost on unwinding of discount	18.84	74.10
Total	109.08	186.95

₹ in Lakhs)

29 Depreciation and amortisation expense	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Depreciation on property, plant and equipment	318.23	295.90
Depreciation on investment property	17.82	17.10
Amortisation on intangible assets	320.85	244.65
Total	656.90	557.65

₹ in Lakhs)

30 Other expenses	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Rent	115.82	110.66
Repairs & maintenance		
- Buildings	68.26	33.51
- Plant and equipment	96.15	107.76
- Others	60.14	80.39
Insurance	39.61	38.69
Rates and taxes	43.99	55.81
Travelling and conveyance	239.16	288.70
Communication	62.69	62.33
Electricity expense	104.91	87.02
Professional fees	405.50	441.31
Provision for doubtful receivables and advances	31.69	178.29
Provision for expected credit losses	18.46	26.31
Directors' sitting fees/commission	19.30	19.00
Auditors' remuneration:		
Audit fees	21.56	20.01
Certification and other services	0.45	2.25
Reimbursement of expenses-(excluding GST/Service tax)	0.51	0.89
Security expenses	39.79	40.91
Corporate social responsibility expenses (Refer Note no.37)	12.10	14.00
Loss on plant, property and equipment disposed / discarded (net)	3.10	20.89
Miscellaneous expenses	295.62	260.20
Total	1,678.81	1,888.93

Notes to Consolidated financial statements for the year ended March 31, 2019

31	EARNINGS PER SHARE (EPS)	As at March 31, 2019	As at March 31, 2018
	Profit after tax(available for Equity Shareholders)	1,010.93	316.90
	Weighted Average Number of Equity Shares outstanding for computing Basic EPS	27,485,075	27,015,932
	Add: Weighted average number of potential equity shares on account of employee stock options	225,398	864,051
	Weighted Average Number of Equity Shares outstanding for computing Diluted EPS	27,710,474	27,879,983
	Nominal value of Equity Shares (In ₹)	10.00	10.00
	Basic Earnings Per Share	3.68	1.17
	Diluted Earnings Per Share	3.65	1.14

(₹ in Lakhs)

32	CONTINGENT LIABILITIES AND COMMITMENTS	As at March 31, 2019	As at March 31, 2018
A)	CONTINGENT LIABILITIES		
	i) Disputed Income Tax Demands (Including interest and penalties)	136.44	136.44
	Total	136.44	136.44

ii) In the previous years, the Company has received Income Tax refunds of ₹ 1,894.74 Lakhs (including interest amount of ₹ 740.81 Lakhs) towards Assessment years 1997-98, 1998-99 and 1999-00, pursuant to the favorable Order from Income Tax Appellate Tribunal. The Income Tax Department has filed an appeal against the said Order with the Hon'ble High Court, Bombay. However, the Company has continued the provision of ₹ 1,219.61 Lakhs (Previous Year ₹ 1219.61 Lakhs) made in earlier years.

Notes

The Group's pending litigations comprise mainly claims against the group, proceedings pending with Tax and other Authorities. The group has reviewed all its pending litigations and proceedings and has made adequate provisions, wherever required and disclosed the contingent liabilities, wherever applicable, in its financial statements. The group does not reasonably expect the outcome of these proceedings to have a material impact on its financial statements.

(₹ in Lakhs)

B)	COMMITMENTS	As at March 31, 2019	As at March 31, 2018
	Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances)	-	-

33 DISCLOSURE ON RELATED PARTY TRANSACTIONS

a) Key Management Personnel (KMP)

Mr. Vish Tadimety- Director
 Mr. Steven Jeske- Director
 Mr.Ramasubramanian Sankaran - Executive Director
 Mr.Praveen Agarwal- Chief Financial Officer (w.e.f. May,10,2017)
 Ms.Sarita Leelaramani- Company Secretary

c) Non-Executive and Independent Directors

Non-Executive directors

Vish Tadimety
 Steven Jeske
 Amogha Tadimety

Independent directors

Angela Cook Wilcox (w.e.f. February 13, 2018)
 Dr. N.L. Sarda
 Marezban Padam Bharucha

Notes to Consolidated financial statements for the year ended March 31, 2019

Shreepad Karmalkar
Sudhir Joshi
William Peter Elfrink (till November 14, 2018)
Anant V. Rajwade (till November 4, 2017)

B) Related party transactions with KMP's during the year:

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Remuneration paid to*		
Mr. Vish Tadimety	199.23	183.74
Mr. Steven Jeske	160.78	148.28
Mr.Ramasubramanian Sankaran	72.91	76.39
Mr. Praveen Agarwal	25.73	22.25
Ms.Sarita Leelaramani	9.46	8.93
Guarantee taken from Director	-	2,000.00
Directors Sitting Fees		
Amogha Tadimety	0.80	0.80
Anant V. Rajwade	-	1.60
Angela Cook Wilcox	0.80	-
Dr. N.L. Sarda	1.80	1.80
Marezban Padam Bharucha	0.80	0.80
Shreepad Karmalkar	0.60	0.40
Steven Jeske	2.00	1.40
Sudhir Joshi	3.80	3.60
Vish Tadimety	2.80	2.80
Willem Pieter Elfrink	0.40	0.80
Commission to Directors	6.50	5.00

C) Outstanding balances

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Trade Payables		
Mr. Vish Tadimety	8.21	7.98
Mr. Steven Jeske	6.63	6.44
Mr.Ramasubramanian Sankaran	8.94	6.00
Mr. Praveen Agarwal	1.22	0.96
Ms.Sarita Leelaramani	0.81	0.27
Director's commission	6.50	4.50
Guarantee Taken		
Mr.Ramasubramanian Sankaran	1,783.71	1,092.54

* The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

The above figures do not include provisions for compensated expenses, gratuity and premium paid for group health insurance as separate actuarial valuation/ premium paid are not available.

Notes to Consolidated financial statements for the year ended March 31, 2019

Notes:

- (i) All related party transactions entered during the year were in ordinary course of the business and are on arm's length basis.
- (ii) No amounts in respect of related parties have been written off / written back during the year, nor has any provision been made for doubtful debts / receivables during the year.
- (iii) Related party relationships have been identified by the management and relied upon by the Auditors.

34 Segment Reporting

The Group is in the business of Information Technology Services and its operations are regularly reviewed by Chief Operating Decision Maker for assessment of Group's performance and resource allocation. Accordingly, the Group has only one business segment in accordance with the IND AS – 108 "Operating Segments".

35 DISCLOSURE PURSUANT TO IND AS - 19 "EMPLOYEE BENEFITS"

Defined Benefit Plan - Gratuity

In accordance with the applicable laws, the Parent Company provides for gratuity, a defined benefit retirement plan ("The Gratuity Plan") covering eligible employees. The Gratuity Plan provides for a lump sum payment to vested employees on retirement (subject to completion of five years of continuous employment), death, incapacitation or termination of employment that are based on last drawn salary and tenure of employment. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation on the reporting date and the Parent Company makes annual contribution to the gratuity fund administered by Life Insurance Corporation of India under Group Gratuity Scheme.

The disclosure in respect of the defined Gratuity Plan are given below:

A Balance Sheet	(₹ in Lakhs)	
	As at March 31, 2019	As at March 31, 2018
Present value of plan liabilities	(152.30)	(129.91)
Fair value of plan assets	14.47	13.70
Asset/(Liability) recognised	(137.83)	(116.21)

B Movements in plan assets and plan liabilities	Present value of obligations	Fair Value of Plan assets
As at 1st April 2018	129.91	13.71
Current service cost	15.79	-
Past service cost	-	-
Interest Cost/(Income)	10.20	1.08
Return on plan assets excluding amounts included in net finance income/cost	-	0.29
Actuarial (gain)/loss arising from changes in demographic assumptions	-	-
Actuarial (gain)/loss arising from changes in financial assumptions	1.07	-
Actuarial (gain)/loss arising from experience adjustments	15.93	-
Employer contributions	-	20.00
Benefit payments	(20.60)	(20.60)
As at 31st March 2019	152.30	14.48

	Present value of obligations	Fair Value of Plan assets
As at 1st April 2017	102.53	3.96
Current service cost	12.95	-
Past service cost	10.07	-
Interest Cost/(Income)	7.38	0.29
Return on plan assets excluding amounts included in net finance income/cost	-	-
Actuarial (gain)/loss arising from changes in demographic assumptions	-	-
Actuarial (gain)/loss arising from changes in financial assumptions	(10.95)	1.32
Actuarial (gain)/loss arising from experience adjustments	14.79	-
Employer contributions	-	15.00
Benefit payments	(6.86)	(6.86)
As at 31st March 2018	129.91	13.71

Notes to Consolidated financial statements for the year ended March 31, 2019

C. Statement of Profit and Loss

	(₹ in Lakhs)	
	As at March 31, 2019	As at March 31, 2018
Employee Benefit Expenses:		
Current service cost	15.79	12.95
Interest cost/(income)	9.12	7.10
Total amount recognised in Statement of profit & loss	24.91	20.05
Remeasurement of the net defined benefit liability:		
Actuarial gains/(losses) arising from changes in demographic assumptions	-	-
Actuarial gains/(losses) arising from changes in financial assumptions	1.06	(10.95)
Actuarial gains/(losses) due to experience	15.94	14.80
Return on plan assets (excluding interest income)	(0.29)	(1.32)
Total amount recognised in Other Comprehensive Income	16.71	2.53

D. Assumptions

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

The significant actuarial assumptions were as follows:

	As at March 31, 2019	As at March 31, 2018
Financial Assumptions		
Discount rate	7.79%	7.85%
Salary Escalation Rate	2.00%	2.00%

E. Sensitivity

The sensitivity of the overall plan liabilities to changes in the weighted key assumptions are:

	Impact on defined benefit obligation		
	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate	1.00%	(5.84)	30.21
Salary Escalation Rate	1.00%	30.19	(6.85)

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

F. The defined benefit obligations shall mature after year end 31st March, 2019 as follows:

Year ending March 31,	Defined benefit obligation - ₹ in Lakhs
2020	4.04
2021	4.28
2022	4.50
2023	11.34
2024	5.88
Thereafter	450.93

ii) Compensated Absences: The Parent Company permits encashment of compensated absence accumulated by their employees on retirement, separation and during the course of service. The liability in respect of the Parent Company, for outstanding balance of leave at the balance sheet date is determined and provided on the basis of actuarial valuation as on 31st March 2018 performed by an independent actuary. The Parent Company doesn't maintain any plan assets to fund its obligation towards compensated absences.

Notes to Consolidated financial statements for the year ended March 31, 2019

The disclosure in respect of the defined Compensated Absences are given below:

Particulars	₹ in Lakhs)	
	As at March 31, 2019	As at April 01, 2018
Expenses recognised in Statement of Profit and Loss	77.15	49.44
Balance Sheet liability	86.63	78.99

36. Leases

Parent Company as a lessor

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Due within one year	43.56	16.39
Due in a period between one year and five years	15.00	16.38
Due after five years	-	-

The Parent Company has leased its vacant premises under non-cancellable lease agreements. During the year ₹ 460.66 Lakhs (Previous Year ₹ 680.29 Lakhs) has been recognized as rent income in the statement of profit and Loss under head "Other Income".

(₹ in Lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Rental Income	460.66	680.29
Direct Operating Expenses	27.27	56.21
Depreciation	17.82	17.10
Net Income	415.57	606.98

Group as a lessee

The Parent Company has taken lease premises under non-cancellable lease agreement. During the year ₹ 4.58 Lakhs (Previous Year ₹ Nil) has been shown as rent in the Statement of Profit and Loss under head "Other expenses"

Future minimum lease payment in respect of these leases:

(₹ in Lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Due within one year	18.55	64.12
Due in a period between one year and five years	4.81	36.38
Due after five years	-	-

37 CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE

Gross amount required to be spent by the Parent Company as per Section 135 of Companies Act, 2013 during the year is ₹ 13.88 Lakhs (Previous year ₹ 12.22 Lakhs) and amount actually spent during the year is ₹ 14.00 Lakhs (Previous year ₹ 12.08 Lakhs), the details of which is as given below:

(₹ in Lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Gross amount required to be spent by the Company as per Section 135 of Companies Act, 2013	12.07	13.88
Construction/acquisition of any asset	-	-
On purposes other than above	12.10	14.00

Notes to Consolidated financial statements for the year ended March 31, 2019

38 Financial Risk Management

Financial risk management objectives and policies:

The Group's business activities exposed it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Group's senior management has the overall responsibility for establishing and governing the Group's risk management framework.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings.

Risk	Exposure arising from	Measurement	Management
Market Risk - Interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Interest rate swaps
Market Risk - Foreign exchange	Financial assets and liabilities	Cash flow forecasting Sensitivity analysis	Hedging, Forex planning
Credit risk	Cash and cash equivalents, trade receivables, Investments, loans and other financial assets measured at fair /amortised cost.	Ageing analysis/ Credit ratings	Diversification in various class of assets, credit limits and letters of credit
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities; working capital management

(A) Market Risk- Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. The Company is having short term borrowings from banks.

(i) Exposure to interest rate risk - Financial liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Borrowings bearing variable rate of interest - Cash credits - short term in nature	1,783.71	1,092.54

Hence, the Company is not significantly exposed to the interest rate risk as working capital facility are, as per contractual terms, primarily of short term in nature.

(B) Market Risk- Foreign currency risk.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company has foreign currency trade receivables and is therefore exposed to foreign exchange risk. The exchange rates have been volatile in the recent years and may continue to be volatile in the future. Hence the operating results and financials of the Company may be impacted due to volatility of the rupee against foreign currencies.

Derivative Contracts and unheeded foreign currency exposure

(Derivative contracts outstanding as at March 31, 2019)

(₹ in Lakhs)

	As at March 31, 2019		As at March 31, 2018	
	In Foreign Currency	Amount	In Foreign Currency	Amount
Forward Contract to sell USD	2,000,000	1,460.13	2,072,677	1,365.39

Notes to Consolidated financial statements for the year ended March 31, 2019

Unhedged foreign currency exposure as at March 31, 2019

(₹ in Lakhs)

	As at March 31, 2019		As at March 31, 2018	
	In Foreign Currency	Amount	In Foreign Currency	Amount
Trade receivables	3,000	2.07	6,000	3.91
Cash and bank balances	70,657	48.86	-	-
	73,657	50.93	6,000	3.91

A change of 1% in Foreign currency would have following Impact on profit before tax

(₹ in Lakhs)

Particulars	For the year ended March 31, 2019		For the year ended March 31, 2018	
	1% Increase	1% decrease	1% Increase	1% decrease
Increase / (decrease) in profit or loss	0.51	(0.51)	0.04	(0.04)

(C) Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. The Group is exposed to credit risk from its operating activities (trade receivables) and from its financing activities including investments in mutual funds, deposits with banks and financial institutions and debentures and bonds, foreign exchange transactions and financial instruments.

To manage the credit risk from trade receivables, the Group periodically assess financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly. The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period.

Credit risk from investments is managed by the Group's treasury in accordance with the board approved policy and limits.

To assess whether there is a significant increase in credit risk the Group compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- Actual or expected significant adverse changes in business,
- Actual or expected significant changes in the operating results of the counterparty,
- Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- Significant increase in credit risk on other financial instruments of the same counterparty,
- Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees

Ageing of Account receivables (Gross)

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
0-3 months	1700.04	716.14
3-6 months	115.18	1207.66
6 months to 12 months	200.20	350.78
beyond 12 months	718.59	529.86
Total	2,734.01	2,804.45

Movement in provisions of doubtful debts

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Opening provision	225.50	28.08
Add:- Additional provision made	48.12	201.09
Less:- Provision write off/ reversed	-	-
Less:- Provision utilised against bad debts	(10.12)	(3.67)
Closing provisions	263.50	225.50

Notes to Consolidated financial statements for the year ended March 31, 2019

(D) Liquidity Risk

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time, or at a reasonable price. The Group's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related such risk are overseen by senior management. Management monitors the Group's net liquidity position through rolling forecasts on the basis of expected cash flows. The Group's objective is to maintain at all times, optimum levels of liquidity to meet its obligations.

Financing arrangements

The company had access to following undrawn Borrowing facilities at end of reporting period:

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Variable Borrowing -Expires within 1 year	216.29	907.46

Maturity patterns of borrowings

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
0-1 years	1,783.71	1,092.54
more than 1 year	-	-
Total	1,783.71	1,092.54

Maturity patterns of trade payables

Trade Payables

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
0-1 years	1,084.59	959.30
more than 1 year	-	-
Total	1,084.59	959.30

Maturity patterns of other Financial Liabilities

Other Financial Liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
0-1 years	31.58	93.61
more than 1 year	244.21	138.43
Total	275.79	232.04

39 Financial instruments

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions are used to estimate the fair values:

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Group based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Notes to Consolidated financial statements for the year ended March 31, 2019

The carrying amounts and fair values of financial instruments by category are as follows:

a. Financial assets

	Instruments carried at fair value				Instruments carried at amortized cost		(₹ in lakhs)
	FVOCI (Equity instruments)	FVOCI (Other instruments)	FVTPL	Total fair value (A)	Carrying amount (B)	Fair Value	Total carrying amount (A+B)
As at 31st March, 2018							
Investments	-	-	1,417.13	1,417.13	-	-	1,417.13
Trade receivables	-	-	-	-	2,578.94	2,578.94	2,578.94
Cash and cash equivalents	-	-	-	-	1,031.88	1,031.88	1,031.88
Loans	-	-	-	-	0.55	0.55	0.55
Other financial assets	-	-	-	-	595.63	595.63	595.63
Total	-	-	1,417.13	1,417.13	4,207.00	4,207.00	5,624.13
As at 31st March, 2019							
Investments	-	-	2,227.83	2,227.83	-	-	2,227.83
Trade receivables	-	-	-	-	2,470.51	2,470.51	2,470.51
Cash and cash equivalents	-	-	-	-	1,771.04	1,771.04	1,771.04
Loans	-	-	-	-	3.20	3.20	3.20
Other financial assets	-	-	-	-	617.01	617.01	617.01
Total	-	-	2,227.83	2,227.83	4,861.76	4,861.76	7,089.59

b. Financial liabilities

	Instruments carried at fair value		Instruments carried at amortized cost		(₹ in Lakhs)
	FVTPL	Total carrying amount and fair value (A)	Carrying amount (B)	Fair value	Total carrying amount (A+B)
As at 31st March, 2018					
Borrowings	-	-	1,092.54	1,092.54	1,092.54
Trade payables	-	-	959.30	959.30	959.30
Other financial liabilities	232.04	232.04	-	-	232.04
Total	232.04	232.04	2,051.84	2,051.84	2,283.88
As at March 31, 2019					
Borrowings	-	-	1,783.71	1,783.71	1,783.71
Trade payables	-	-	1,081.67	1,081.67	1,081.67
Other financial liabilities	275.79	275.79	-	-	275.79
Total	275.79	275.79	2,865.37	2,865.37	3,141.16

The Management assessed that fair value of cash and cash equivalents, trade receivables, investments in term deposits, loans, other financial assets (except derivative financial instruments), trade payables, and other financial liabilities (except derivative financial instruments) is considered to be equal to the carrying amount of these items due to their short-term nature.

c. Fair value estimation

For financial instruments measured at fair value in the Balance Sheet, a three level fair value hierarchy is used that reflects the significance of inputs used in the measurements. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as follows:

- Level 1: quoted prices for identical instruments
- Level 2: directly or indirectly observable market inputs, other than Level 1 inputs; and
- Level 3: inputs which are not based on observable market data.

Notes to Consolidated financial statements for the year ended March 31, 2019

For assets and liabilities which are carried at fair value, the classification of fair value calculations by category is summarised below:

(₹ in Lakhs)

	Level 1	Level 2	Level 3	Total
As at March 31, 2019				
Assets at fair value				
Investments	1,417.13	-	-	1,417.13
As at March 31, 2018				
Assets at fair value				
Investments	2,227.83	-	-	2,227.83

Note - Mutual funds are valued using the Closing Net Asset Value (NAV)

40 Income Taxes

a) Tax expense recognised in the Statement of Profit and Loss:

₹ in Lakhs

	For the year ended March 31, 2019	For the year ended March 31, 2018
Current tax		
Current year	230.00	160.00
Adjustments for prior periods	3.18	(8.44)
Total current tax	233.18	151.56
Deferred tax		
Origination and reversal of temporary difference	(35.00)	(73.51)
Total deferred income tax expense/(credit)	(35.00)	(73.51)
Total income tax expense/(credit)	198.18	78.05

b) A reconciliation between the statutory income tax rate applicable to the Company and the effective income tax rate of the Company is as follows :

₹ in Lakhs

	For the year ended March 31, 2019	For the year ended March 31, 2018
Profit before taxation	749.58	274.00
Enacted income tax rate in India	27.82%	27.55%
Tax at India Income Tax Rate	208.53	75.49
Differences due to:		
Expenses not deductible for tax purposes	1.68	5.83
Portion of expenses/(income) on which tax is not payable	(16.58)	8.36
Tax expenses pertaining to earlier years	3.18	(8.44)
Others	1.37	(3.19)
Effective tax amount	198.18	78.05

Movement during the year ended March 31, 2019 and March 31,2018

₹ in lakhs

	As at April 01, 2018	Credit/(charge) in statement of Profit and Loss	As at March 31, 2019
Deferred tax assets/(liabilities)			
Expenses allowable on payment basis and others	(136.05)	(29.44)	(165.49)
On property, plant & equipment	290.23	(20.33)	269.91
Long term capital loss	(14.85)	8.05	(6.80)
Fair value gains/losses	72.48	2.07	74.55
Total	211.81	(39.65)	172.16

Notes to Consolidated financial statements for the year ended March 31, 2019

Movement during the year ended March 31, 2018 and March 31, 2017

	As at April 01, 2017	Credit/(charge) in statement of Profit and Loss	As at March 31, 2018
₹ in lakhs			
Deferred tax assets/(liabilities)			
Expenses allowable on payment basis	(57.65)	(78.40)	(136.05)
On property, plant & equipment	323.05	(32.81)	290.23
Long term capital loss	(15.40)	0.54	(14.85)
Fair value gains/losses	36.01	36.47	72.48
Total	286.01	(74.21)	211.81

41 Capital risk management

(a) Risk management

The Group objectives when managing capital are to

- ◀ safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stake holders, and
- ◀ maintain an optimal capital structure to reduce the cost of capital

The Group will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares.

The Company monitors capital using a gearing ratio being a ratio of net debt as a percentage of total capital.

	As at March 31, 2019	As at March 31, 2018
(₹ in Lakhs)		
Total equity attributable to equity shareholders of the Group	8,314.95	7,553.21
Net debt (Total borrowings less cash and bank balances)	1,735.16	1,001.27
Total capital (Borrowings and Equity)	10,050.11	8,554.48
Gearing ratio	0.21	0.13

(b) Dividends

Dividend paid during the year

(i) Equity Shares

Final dividend for the year ended March 31, 2018 of Re. 1 Per fully paid up share (March 31, 2017 - Re. 1) [Including dividend distribution tax of ₹ 56.56 Lakhs] (Previous year ₹ 55.81 Lakhs)

(ii) Dividends not recognised at the end of reporting period

Since year end, the directors have recommended the payment of a final dividend of Re. 1 per fully paid up equity share (March 31, 2018 - Re. 1)

The Proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting. [Including dividend distribution tax of ₹.56.56 Lakhs]

	2018-19	2017-18
(i) Equity Shares	331.72	323.42
(ii) Dividends not recognised at the end of reporting period	331.72	323.42

42 Share Warrants

During the financial year 2016-17, the Parent Company had issued 10,00,000 Warrants at a price of ₹ 67 each entitling them for subscription of equivalent number of equity shares of ₹ 10 each (including premium of ₹ 57 each share) in accordance with Chapter VII of SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2009.

The Parent Company had received the application money of ₹ 167.50 Lakhs against Share Warrants representing 25% of the warrants value which entitles the warrant holder, the option to apply for and be allotted equivalent number of equity shares of the face value of ₹ 10 each. The holder of the warrants would need to exercise the option to subscribe to equity shares before the expiry of 18 months from the date of allotment made on 27th October, 2016 by paying the balance 75% of the consideration of warrants. During the current year, due to non payment of the balance amount before the expiry period, the application money has been forfeited and the said amount has been transferred to Capital Reserve.

Notes to Consolidated financial statements for the year ended March 31, 2019

43 Employee Share Based payments

(a) Employee option plan

The Group's Employees' Stock Option Scheme - 2007, 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 as on March 31, 2007 on 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 9,264,970 shares (Previous Year 9,264,970 shares). The Shareholders at their meeting held on September 30, 2014 passed a new ESOP plan 2014. Under new ESOP plan, the shareholders has permitted to grant 1,323,567 equity shares to the employees of the Company and to the employees of wholly owned subsidiary viz. CyberTech Systems and Software Inc., USA. 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. One option is equal to one equity share.

Movement during the period:

The number and weighted average exercise prices (WAEP) of the options granted and movement during the period is as follows:

	March 31, 2019		March 31, 2018	
	Numer of options	WAEP	Numer of options	WAEP
Opening balance	1,196,750	35.35	1,783,000	38.22
Add: Granted during the year *	300,000	46.20	50,000	56.55
Less: Exercised during the year	101,000	17.71	336,250	16.21
Less: Forfeited/lapsed during the year	213,250	45.57	300,000	77.40
Closing balance	1,182,500	37.76	1,196,750	35.35

* 213,250 Options were lapsed during the year due to resignation of employees. During the previous year 250,000 options were surrendered and 50,000 options were lapsed on expiry of its tenure.

Weighted average equity share price at the date of exercise of options during the year was ₹ 35.35 (2016-17: ₹ 38.22)

The following table summarises information about outstanding stock options:

As at March 31, 2019

Range of Exercise price	Number of shares arising out of Options	Weighted average remaining life (in years)	Weighted average exercise price (in ₹)
₹ 10- ₹ 15	53,000	1	11.34
₹ 16 - ₹ 45	979,500	4	37.37
₹ 46 - ₹ 60	150,000	6	49.65

As at March 31, 2018

Range of Exercise price	Number of shares arising out of Options	Weighted average remaining life (in years)	Weighted average exercise price (in ₹)
₹ 10- ₹ 15	128,000	2	11.34
₹ 16 - ₹ 45	1,018,750	5	37.22
₹ 46 - ₹ 90	50,000	7	56.55

(b) Fair value of options granted

The fair value at grant date of options granted during the year ended March 31, 2019 was INR 11.91 per option (March 31, 2018: INR 29.65 per option). The fair value at grant date is determined using the Black-Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option. The value of the option has been determined by an independent valuer.

Notes to Consolidated financial statements for the year ended March 31, 2019

The model inputs for options granted during the period ended March 31, 2019 and March 31, 2018 included:

	For the year ended March 31, 2019	For the year ended March 31, 2018
Dividend Yield	2%	2%
Expected Volatility	58%	60%
Risk free interest rate	7.51%	6.86%
Expected life of share options	7 years	7 years

The expected price volatility is based on the historic volatility (based on the remaining life of the option), adjusted for any expected changes to future volatility due to publicly available information.

(c) Expense arising from share based payment transactions

Total expenses arising from share based payment transactions recognised in profit or loss as part of employee benefit expense were as follows:

	March 31, 2019	March 31, 2018
Employee stock option	26.67	37.49
Total employee share-based payment expense	26.67	37.49

₹ in Lak

- 44** Effective April 1, 2018, the Group adopted Ind AS 115, Revenue from Contracts with Customers, using the cumulative catch-up transition method, applied to contracts that were not completed as of April 1, 2018. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted. The effect on adoption of Ind AS 115 was insignificant.
- 45** The Group is yet to receive balance confirmations in respect of certain financial assets and financial liabilities. The Management does not expect any material difference affecting the current year's financial statements due to the same.
- 46** The previous year's figures have been regrouped/re-classified wherever required to conform to current years classification.
- 47** The financial statements were approved for issue by the Board of Directors on May 09, 2019.

For and on behalf of the Board of Directors

Sudhir Joshi
Director
DIN: 00349597

Ramasubramanian Sankaran
Executive Director
DIN: 05350841

Praveen Agarwal
Chief Financial Officer

Sarita Leelaramani
Company Secretary

Place : Mumbai
Date : May 09, 2019

**CYBERTECH SYSTEMS AND SOFTWARE INC. (USA)
(WHOLLY OWNED SUBSIDIARY)
ANNUAL REPORT 2018-19**



BOARD'S REPORT

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

Your Directors have pleasure in presenting this Annual Report on the business and operations of your Company together with the Audited Accounts of the Company for the year ended March 31, 2019.

COMPANY FINANCIAL RESULTS:

Particulars	(Amt in USD)	
	2018-19	2017-18
Gross Revenue	12,699,112	11,568,261
Profit before Interest & Depreciation	1,201,939	340,590
Depreciation	264,365	152,479
Profit before tax	937,574	188,111
Provision for tax	NIL	NIL
Current Tax	NIL	NIL
Profit after tax	937,574	188,111
Profit/(Loss) b/f from previous year	(2,434,288)	(26,22,398)
Balance to be carried forward	(1,496,714)	(2,434,287)

REVIEW OF COMPANY'S OPERATIONS AND PERFORMANCE:

Operations of the Company are integrated with its parent company viz., CyberTech Systems and Software Limited. The Company operates as its parent company's sales front end, servicing the combined Company's customers in the United States and promoting offshore support and development services. The Company focuses on customer facing and business development activities including pre-sales, marketing, sales and onsite project/program management activities.

During the year under review, your Company, CyberTech Systems and Software, Inc., has made a Profit of US\$937,574 on the revenue of US\$12,699,112. The Company continues to see steady growth from US which grew approximately 10 % on year-on-year basis in FY19.

Your Company continues to maintain its focus on the alliances with partners such as ESRI®, Microsoft®, CISCO®, SAP® etc. CyberTech was also honoured as an Esri Cornerstone Partner at the Esri Partner Conference 2019. This was an acknowledgement of commitment towards the GeoSpatial community. Our long term partnership with Esri has consistently demonstrated that with strong and unparalleled GeoSpatial expertise, we can help our customers to derive tremendous GeoSpatial insights. Our partnerships and alliances are the key growth driver in Company's future growth.

During the year, we won an important contract for SAP S/4 HANA implementation from a large chemical company. We will continue to focus on deepening our SAP relationship and see SAP S/4HANA move as a great opportunity for us going forward.

CyberTech Inc. is confident that the growth momentum and the margin resilience observed shall continue moving forward and our focus is to add value to our customers driven by our next-gen products and solutions offerings through subscription sales.

Registered Office

1301, West 22nd Street,
Suite 308, Oak Brook,
IL 60523, USA.

For and on behalf of the Board of Directors

Vish Tadimety
Director

Place : Trevose, PA, USA
Date : August 09, 2019

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CYBERTECH SYSTEMS & SOFTWARE INC. (USA)

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of **CYBERTECH SYSTEMS & SOFTWARE INC. (USA)** ("the Company"), which comprise the Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and Statement of Cash Flows, for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements 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, of the state of affairs of the Company as at 31st March, 2019 and its profit (including other comprehensive income), changes in equity and its cash flows and for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Responsibilities of Management and those charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act and relevant rules thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial control system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.



- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that individually or in aggregate makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work and (ii) to evaluate the effect of and identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters:

The audit report has been prepared for the purpose of enabling Parent Company's financial reporting requirement under the Act and should not be used for purposes other than that which it is meant for.

For LODHA & CO.
Chartered Accountants
Firm Registration No: 301051E

R. P. Baradiya
Partner
Membership No. 44101

Place: Mumbai
Date: May 08, 2019

Balance Sheet as at March 31, 2019

Particulars	Note	As at March 31, 2019		As at March 31, 2018	
		US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)
I. ASSETS					
1 Non-current assets					
Property, plant and equipment	2	20,948	14.48	27,039	17.62
Intangible assets	3	608,784	420.98	856,426	558.13
Intangible assets under development	4	841,814	582.11	376,103	245.11
Financial assets					
Other financial assets	5	-	-	16,948	11.05
Total non-current assets		1,471,546	1,017.57	1,276,516	831.91
2 Current assets					
Financial assets					
Trade receivables	6	2,415,942	1,670.62	2,110,346	1,375.31
Cash and cash equivalents	7	1,711,056	1,183.20	759,239	494.80
Other current financial assets	8	105,846	73.19	110,482	72.00
Other current assets	9	425,931	294.53	94,526	61.60
Total current assets		4,658,775	3,221.54	3,074,593	2,003.71
Total assets		6,130,321	4,239.11	4,351,109	2,835.62
II EQUITY AND LIABILITIES					
1 Equity					
Equity share capital	10	1,515,850	1,048.21	1,515,850	987.88
Other equity	11	72,436	50.09	(865,138)	(563.81)
Total equity		1,588,286	1,098.30	650,712	424.07
Liabilities					
3 Current liabilities					
Financial liabilities					
Trade payables					
-Total outstanding dues of micro enterprises and small enterprises		-	-	-	-
-Total outstanding dues of creditors other than micro enterprises and small enterprises	12	4,173,222	2,885.78	3,553,689	2,315.94
Other current liabilities	13	368,813	255.03	146,708	95.61
Total current liabilities		4,542,035	3,140.81	3,700,397	2,411.55
Total equity and liabilities		6,130,321	4,239.11	4,351,109	2,835.62
Significant Accounting Policies	1				
The accompanying notes are an integral part of the financial statements					

As per our report of even date

For **LODHA & CO.**
Firm Registration Number - 301051E
Chartered Accountants

R.P.Baradiya
Partner
Membership. No. 44101

Place : Mumbai
Date : May 08, 2019

For and on behalf of the Board of Directors

Steven Jeske
Director

Place : Oakbrook
Date : May 08, 2019



Statement of Profit and Loss for the year ended March 31, 2019

Particulars	Note	For the year ended March 31, 2019		For the year ended March 31, 2018	
		US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)
I Revenue from Operations	14	12,695,322	8,874.66	11,566,078	7,456.53
II Other Income	15	3,790	2.65	2,183	1.41
III Total Income (I + II)		12,699,112	8,877.31	11,568,261	7,457.94
IV Expenses					
Cost of hardware/software package for service delivery and outsourced project cost		7,040,133	4,921.41	6,527,903	4,208.48
Employee benefits expense	16	3,338,187	2,333.56	3,515,729	2,266.56
Depreciation and amortization expense	17	264,366	184.80	152,479	98.30
Other expenses	18	1,118,852	782.13	1,184,039	763.34
Total expenses (IV)		11,761,538	8,221.90	11,380,150	7,336.68
V Profit before tax		937,574	655.41	188,111	121.27
VI Tax expense					
Current tax		-	-	-	-
Deferred tax (credit)		-	-	-	-
		-	-	-	-
VII Profit for the year (V - VI)		937,574	655.41	188,111	121.27
VIII Other Comprehensive Income					
Items that will not be reclassified to profit or loss - Gain/(Loss)					
Remeasurements of net defined benefit plans		-	-	-	-
Income tax relating to items that will not be reclassified to profit or loss		-	-	-	-
Other Comprehensive Income for the year (VIII)		-	-	-	-
IX Total Comprehensive Income for the year (VII - VIII)		937,574	655.41	188,111	121.27
X Earnings per equity share:					
Basic & Diluted	19	0.62	43.24	0.12	8.00
Significant Accounting Policies	1				

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date

For **LODHA & CO.**
Firm Registration Number - 301051E
Chartered Accountants

R.P.Baradiya
Partner
Membership. No. 44101

Place : Mumbai
Date : May 08, 2019

For and on behalf of the Board of Directors

Steven Jeske
Director

Place : Oakbrook
Date : May 08, 2019

Statement of changes in equity for the year ended March 31, 2019

(A) Equity Share Capital

	US Dollars	₹(In Lakhs)
Balance as at April 01, 2017	1,515,850	983.03
Changes in share capital during the year	-	4.85
Balance as at March 31, 2018	1,515,850	987.88
Changes in share capital during the year	-	60.33
Balance as at March 31, 2019	1,515,850	1,048.21

(B) Other Equity

Particulars	Securities Premium		Retained Earnings		Foreign Currency Translation Reserve		Total	
	US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)
Balance as at 1st April, 2017	1,569,150	1,017.59	(2,622,399)	(1,374.46)	-	(326.17)	(1,053,249)	(683.04)
Foreign Currency Reinstatement	-	5.03	-	-	-	(7.07)	-	(2.04)
Profit for the year	-	-	188,111	121.27	-	-	188,111	121.27
Balance as at 31st March, 2018	1,569,150	1,022.62	(2,434,288)	(1,253.19)	-	(333.24)	(865,138)	(563.81)
Foreign Currency Reinstatement	-	62.45	-	-	-	(103.96)	-	(41.51)
Profit for the year	-	-	937,574	655.41	-	-	937,574	655.41
Balance as at 31st March, 2019	1,569,150	1,085.07	(1,496,714)	(597.78)	-	(437.20)	72,436	50.09

Significant accounting policies

1

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For **LODHA & CO.**

Firm Registration Number - 301051E

Chartered Accountants

R.P.Baradiya

Partner

Membership. No. 44101

Place : Mumbai

Date : May 08, 2019

For and on behalf of the Board of Directors

Steven Jeske

Director

Place : Oakbrook

Date : May 08, 2019



Statement of Cash Flows for the year ended March 31, 2019

Particulars	For the year ended March 31, 2019		For the year ended March 31, 2018	
	US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)
A. Cash flow from operating activities				
Profit before tax	937,574	655.41	188,111	121.27
Adjustments for:				
Depreciation and amortisation expense	264,366	184.80	152,479	98.30
Interest income	(3,790)	(2.65)	(1,043)	(0.67)
Provision for doubtful debts, receivables	15,387	10.76	800	0.52
Sundry Credit Balances written back	-	-	(1,140)	(0.74)
Unrealised foreign exchange gain	-	18.80	-	2.80
Operating profit before working capital changes	1,213,537	867.12	339,207	221.47
Adjustments for:				
Increase in trade receivables	(320,983)	(306.07)	(306,112)	(205.26)
Decrease/(Increase) in other receivables	(309,821)	(223.07)	6,649	3.60
Increase in trade and other payables	841,638	729.28	204,516	144.47
Cash generated from operations	1,424,371	1,067.26	244,260	164.29
Direct taxes paid (net)	-	-	-	-
Net cash generated from operating activities (A)	1,424,371	1,067.26	244,260	164.29
B. Cash flow from investing activities				
Purchase of property, plant & equipment (including capital work-in-progress)	(476,344)	(381.51)	(485,254)	(318.14)
Interest received	3,790	2.65	1,043	0.67
Net cash from investing activities (B)	(472,554)	(378.86)	(484,211)	(317.47)
C. Cash flow from financing activities				
Net cash from financing activities (C)	-	-	-	-
Net Increase in cash & cash equivalents (A + B + C)	951,817	688.40	(239,953)	(153.18)
Cash & cash equivalents - Opening	759,239	494.80	999,192	647.98
Cash & cash equivalents - Closing	1,711,056	1,183.20	759,239	494.80

Significant Accounting Policies

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date

For **LODHA & CO.**
Firm Registration Number - 301051E
Chartered Accountants

R.P.Baradiya
Partner
Membership. No. 44101

Place : Mumbai
Date : May 08, 2019

For and on behalf of the Board of Directors

Steven Jeske
Director

Place : Oakbrook
Date : May 08, 2019

Notes to financial statements for the year ended March 31, 2019

'NOTE '1'

SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Preparation of Financial Statements:

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting standards) Rules, 2015 as amended from time to time and other related provisions of the Act.

The financial statements of the Company are prepared on the accrual basis of accounting and Historical cost convention except for the following material items that has been measured at fair value as required by the relevant Ind AS:

- Certain financial assets and liabilities are measured at Fair value

The accounting policies are applied consistently to all the periods presented in the financial statements. All assets and liabilities have been classified as current or non current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

The financial statements are presented in US Dollar & Indian Rupee (INR).

2. Use of Estimates and judgments:

The preparation of the financial statements requires the Management to make, judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. The recognition, measurement, classification or disclosure of an item or information in the financial statements is made relying on these estimates. The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the management and are based on historical experience and various other assumptions and factors (including expectations of future events) that the management believes to be reasonable under the existing circumstances. Actual results may differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

Critical accounting judgements and key source of estimation uncertainty

The Company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. The estimates and underlying assumptions are reviewed on an on-going basis.

3. Property, plant and equipment (PPE)

Property, plant and equipment is stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable costs of bringing the asset to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure Subsequent costs are included in the assets carrying amount or recognized as a separate asset, as appropriate only if it is probable that the future economic benefits associated with the item will flow to the Company and that the cost of the item can be reliably measured.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress".

4. Intangible assets

Intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

5. Depreciation and Amortisation:

(a) Property plant and equipment (PPE)

Depreciation is provided on a pro-rata basis on the straight line method based on estimated useful life prescribed under Schedule II.

The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate.



Notes to financial statements for the year ended March 31, 2019

(b) Intangible assets

The useful lives of intangible assets are assessed as either finite or indefinite. Finite-life intangible assets are amortised on a straight-line basis over the period of their expected useful lives. The amortisation period and the amortisation method for finite life intangible assets is reviewed at each financial year end and adjusted prospectively, if appropriate. For indefinite life intangible assets, the assessment of indefinite life is reviewed annually to determine whether it continues, if not, it is impaired or changed prospectively basis revised estimates.

(c) Impairment

Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated depreciation) had no impairment loss been recognized for the asset in prior years.

6. Financial Instruments:

Financial assets - Initial recognition:

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instruments. On initial recognition, a financial asset is recognised at fair value, in case of Financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost are recognised in the statement of profit and loss. In other cases, the transaction cost are attributed to the acquisition value of the financial asset.

Subsequent measurement:

Financial assets are subsequently classified as measured at:

- amortised cost
- fair value through profit & loss (FVTPL)
- fair value through other comprehensive income (FVTOCI)

The above classification is being determined considering the:

- (a) the entity's business model for managing the financial assets and
- (b) the contractual cash flow characteristics of the financial asset.

Financial assets are not reclassified subsequent to their recognition, except if and in the period the group changes its business model for managing financial assets.

(i) Measured at amortised cost:

Financial assets are subsequently measured at amortised cost, if these financial assets are held within a business module whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified date to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Measured at fair value through other comprehensive income (FVTOCI):

Financial assets are measured at FVTOCI, if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On de-recognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.

(iii) Measured at fair value through profit or loss (FVTPL):

Financial assets other than equity instrument are measured at FVTPL unless it is measured at amortised cost or at FVTOCI on initial recognition. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised in the Statement of Profit and Loss.

Notes to financial statements for the year ended March 31, 2019

Equity instruments:

"On initial recognition, the Company can make an irrevocable election (on an instrument-by instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to Statement of Profit and Loss on disposal of the investments.

Dividends on these investments in equity instruments are recognised in Statement of Profit and Loss when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. Dividends recognised in Statement of Profit and Loss are included in the 'Other income' line item.

Impairment

The Company recognises a loss allowance for Expected Credit Losses (ECL) on financial assets that are measured at amortised cost and at FVOCI. The credit loss is difference between all contractual cash flows that are due to an entity in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. This is assessed on an individual or collective basis after considering all reasonable and supportable including that which is forward looking.

The Company's trade receivables or contract revenue receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall, being simplified approach for recognition of impairment loss allowance.

Under simplified approach, the Company does not track changes in credit risk. Rather it recognizes impairment loss allowance based on the lifetime ECL at each reporting date right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For financial assets other than trade receivables, the Company recognises 12-months expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. If, in a subsequent period, credit quality of the instrument improves such that there is no longer significant increase in credit risks since initial recognition, then the Company reverts to recognizing impairment loss allowance based on 12 months ECL. The impairment losses and reversals are recognised in Statement of Profit and Loss.

For equity instruments and financial assets measured at FVTPL, there is no requirement of impairment testing.

Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers rights to receive cash flows from an asset, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement.

In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Financial Liabilities

Initial Recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial liabilities are initially recognised at fair value net of transaction costs for all financial liabilities not carried at fair value through profit or loss.

The Company's financial liabilities includes trade and other payables, loans and borrowings including bank overdrafts.

Subsequent measurement

Financial liabilities measured at amortised cost are subsequently measured at using EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

Loans & borrowings:

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using EIR method. Gains and losses are recognized in profit & loss when the liabilities are derecognized as well as through EIR amortization process.



Notes to financial statements for the year ended March 31, 2019

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that requires a payment to be made or to reimburse the holder for a loss it incurs because the specified debtors fails to make payment when due in accordance with the term of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Derivative financial instruments

The Company uses derivative financial instruments, such as forward foreign exchange contracts, to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value, with changes in fair value recognised in Statement of Profit and Loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

7. Fair Value Measurement

The Company measures financial instruments, such as, derivatives, investments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- (a) In the principal market for the asset or liability, or
- (b) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- (i) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- (ii) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- (iii) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

8. Cash and Cash Equivalents:

Cash and Cash equivalents include cash and Cheque in hand, bank balances, demand deposits with banks and other short-term highly liquid investments that are readily convertible to known amounts of cash & which are subject to an insignificant risk of changes in value where original maturity is three months or less.

9. Foreign Currency Transactions:

All assets and liabilities, both monetary and non-monetary, are translated at the closing rate while the income and expenses are translated at the average rate for the year. The resulting exchange differences have been accumulated in the Foreign Currency Translation Reserve.

Notes to financial statements for the year ended March 31, 2019

10. Revenue Recognition:

The Company derives revenues primarily from information technology services comprising of software development, consulting and customer support services, and from the licensing of software products and platforms.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration expected to be received in exchange for those products or services. Arrangements with customers for information technology services are either on a fixed-price, fixed-time frame or on a time-and-material basis.

Revenue on time-and-material contracts are recognized as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognized as unbilled revenue. Revenue from fixed-price, fixed-time frame contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage-of-completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Maintenance revenue is recognized ratably over the term of the underlying maintenance arrangement.

Revenues in excess of invoicing are classified as contract assets (which we refer to as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (which we refer to as Income billed in advance). Revenue from licenses where the customer obtains a "right to use" the licenses is recognized at the time the license is made available to the customer. Revenue from licenses where the customer obtains a "right to access" is recognized over the access period. Arrangements to deliver software products generally have three elements : license, implementation and Annual Maintenance Services (AMS). The Company has applied the principles under Ind AS 115 to account for revenues from these performance obligations. When implementation services are provided in conjunction with the licensing arrangement and the license and implementation have been identified as two separate performance obligations, the transaction price for such contracts are allocated to each performance obligation of the contract based on their relative standalone selling prices. In the absence of standalone selling price for implementation, the performance obligation is estimated using the expected cost plus margin approach. Where the license is required to be substantially customized as part of the implementation service, the entire arrangement fee for license and implementation is considered to be a single performance obligation and the revenue is recognized using the percentage-of-completion method as the implementation is performed. Revenue from client training, support and other services arising due to the sale of software products is recognized as the performance obligations are satisfied. AMS revenue is recognized ratably over the period in which the services are rendered.

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch-up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

The Company presents revenues net of indirect taxes in its Statement of Profit and Loss.

11. Employee Benefits:

a) Compensation and Short-term employee benefits :

All employee benefits which are payable within twelve months of rendering the service are classified as short term employee benefits. Compensation are recognized at actual amounts due in the period in which the employee renders the related service. Vacation pay is recognized when taken and only limited amounts may be carried forward from year to year.

Associated Short-term Benefits include the following:

- i) Healthcare Insurance
- ii) Disability Insurance
- iii) Life Insurance

All Short-term Benefits Cost is shared between the Company and the Employee. The Company portion is recognized at actual amount in the period billed.

b) Other Short-term Benefits:

- Defined Contribution Plans:

Contributions are made annually to the Companies 401k Plan (Defined Contribution Plan) based on savings contributions made by employees. All Company contributions accrue to the benefit of and are 100% vested to employees when earned, based on their contribution and as defined by the US Safe Harbor contribution limitations. The Company contribution is recognized monthly on an accrual basis in the period that employee contributions are credited.



Notes to financial statements for the year ended March 31, 2019

c) Long-term Post Retirement Benefits:

The Company does not sponsor a Defined Benefit or other Post Retirement Benefit Plan.

12. Taxes on Income:

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.

13. Borrowing Cost:

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalized as a part of Cost of that assets, during the period till all the activities necessary to prepare the Qualifying assets for its intended use or sale are complete during the period of time that is required to complete and prepare the assets for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are recognized as an expense in the period in which they are incurred.

14. Earnings Per Share:

Basic earnings per shares are calculated by dividing the net profit or loss after tax for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to the equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

15. Leases:

Where the Company is Lessee

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on accrual basis as per the terms of agreements entered with the counter parties.

16. Provisions, Contingent Liabilities and Contingent Assets:

A provision is recognised if, as a result of a past event, the group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract.

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources or an obligation for which the future outcome cannot be ascertained with reasonable certainty. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made."

Contingent assets are neither recognized nor disclosed in financial statements.

Recent accounting pronouncements.

Ind AS 116 - Leases

On March 30, 2019, Ministry of Corporate affairs have notified Ind AS 116 – "Leases". Ind As 116 will replace the existing leases standards Ind As 17 – "Leases" and related interpretations. The new standard sets out the principles for the recognition, measurement, presentation and disclosures of lease for both lease and lessor. Ind AS 116 introduces a single lease accounting model and requires a lessee to recognise the assets and liabilities for all leases with a term of more than 12 months, unless the underlying assets are of low value. Ind As 116 substantially carried forward the accounting treatment prescribed for lessor. The effective date for adoption of Ind AS 116 is annual period beginning on or after April 01, 2019. The Company is evaluating the impact of the issued Ind AS 116 on its financial statements.

Ind AS 12 – "Income taxes" - Appendix C – Uncertainty over income tax treatments

On March 30, 2019, Ministry of Corporate affairs have notified Appendix C to Ind As 12, uncertainty over the income tax treatments which is to be applied while performing the determination of taxable profits/(loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, the company needs to determine the probability of the relevant tax authorities accepting the each tax treatments that the companies have used or plan to use in their income tax filings which has to be considered to compute the most likely amount or expected value of the tax treatments, when determining the taxable profits/(loss), tax bases, unused tax losses, unused tax credits and tax rates. The effective date for adoption of Ind AS 116 is annual period beginning on or after April 01, 2019. The Company is evaluating the impact of the issued appendix C on its financial statements.

Notes to financial statements for the year ended March 31, 2019

2 Property, Plant and Equipment

(Amount in US Dollars)

Particulars	Plant & equipment	Furniture & fixtures	Computers	Total
Gross carrying amount				
Balance as at March 31, 2018	979.00	11,560	52,340	64,879
Additions	-	-	10,633	10,633
Disposals	-	-	-	-
Balance as at March 31, 2019	979.00	11,560	62,973	75,512
Accumulated Depreciation				
Balance as at March 31, 2018	979.00	8,936	27,925	37,840
Depreciation charge for the year	-	1,016	15,708	16,724
Disposals	-	-	-	-
Balance as at March 31, 2019	979.00	9,952	43,633	54,564
Net Block				
Balance as at March 31, 2018	-	2,624	24,415	27,039
Balance as at March 31, 2019	-	1,608	19,340	20,948

(₹ in Lakhs)

Particulars	Plant & equipment	Furniture & fixtures	Computers	Total
Gross carrying amount				
Balance as at March 31, 2018	0.66	7.61	34.24	42.51
Additions	-	-	7.35	7.35
Disposals	-	(0.11)	(1.09)	(1.20)
Balance as at March 31, 2019	0.66	7.72	42.68	51.06
Accumulated Depreciation				
Balance as at March 31, 2018	0.66	5.90	18.33	24.89
Depreciation charge for the year	-	0.71	10.98	11.69
Disposals	-	-	-	-
Balance as at March 31, 2019	0.66	6.61	29.31	36.58
Net Block				
Balance as at March 31, 2018	-	1.71	15.91	17.62
Balance as at March 31, 2019	-	1.11	13.37	14.48

3 Intangible Assets

Software

Gross carrying amount	US Dollars	₹ (in Lakhs)
Balance as on April 1, 2017		
Additions	990,566	645.55
Disposals/adjustment	-	-
Balance as at March 31, 2018	990,566	645.55
Additions	-	-
Disposals/adjustment	-	39.43
Balance as at March 31, 2019	990,566	684.98
Accumulated amortisation		
Balance as at March 31, 2017	134,140	87.42
Additions	-	-
Disposals/adjustment	-	-
Balance as at March 31, 2018	134,140	87.42
Amortisation for the year	247,642	173.11
Disposals/adjustment	-	3.47
Balance as at March 31, 2019	381,782	264.00
Balance as at March 31, 2018	856,426	558.13
Balance as at March 31, 2019	608,784	420.98



Notes to financial statements for the year ended March 31, 2019

4 Intangible assets under development	US Dollars		₹ (in Lakhs)	
Software				
Balance as at March 31, 2017	908,066		588.18	
Additions during the year	458,603		302.48	
Capitalised during the year	990,566		645.55	
Balance as at March 31, 2018	376,103		245.11	
Additions during the year	465,711		337.00	
Capitalised during the year	-		-	
Balance as at March 31, 2019	841,814		582.11	
5 Other non-current financial assets				
	As at		As at	
	March 31, 2019		March 31, 2018	
	US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)
Unsecured, considered good				
Security deposits	-	-	16,948	11.05
Total	-	-	16,948	11.05
6 Trade receivables, Unsecured				
	As at		As at	
	March 31, 2019		March 31, 2018	
	US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)
Trade receivables considered good - Secured	-	-	-	-
Trade receivables considered good - Unsecured	2,415,942	1,670.62	2,110,346	1,375.31
Trade Receivables which have significant increase in credit risk	15,387	10.64	800	0.52
Trade receivables-credit impaired	-	-	-	-
Total	2,431,329	1,681.26	2,111,146	1,375.83
Less: Provision for doubtful debts	(15,387)	(10.64)	(800)	(0.52)
Total	2,415,942	1,670.62	2,110,346	1,375.31
7 Cash and cash equivalents				
	As at		As at	
	March 31, 2019		March 31, 2018	
	US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)
Balances with Banks				
In current accounts	1,711,056	1,183.20	759,239	494.80
	1,711,056	1,183.20	759,239	494.80
8 Other financial assets				
	As at		As at	
	March 31, 2019		March 31, 2018	
	US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)
Unsecured, considered good				
Unbilled revenue	81,070	56.06	97,360	63.45
Security deposits	24,776	17.13	13,122	8.55
	105,846	73.19	110,482	72.00
9 Other current assets				
	As at		As at	
	March 31, 2019		March 31, 2018	
	US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)
Unsecured, considered good				
Advances for supply of goods and rendering of services	13,632	9.43	20,658	13.46
Prepaid expenses	66,444	45.95	68,320	44.52
Advances to employees	18,127	12.53	5,548	3.62
Other receivables	327,728	226.62	-	-
Total	425,931	294.53	94,526	61.60

Notes to financial statements for the year ended March 31, 2019

10 Equity Share Capital	As at March 31, 2019		As at March 31, 2018	
	US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)
Authorised				
10,000,000 (As at March 31, 2018- 10,000,000) Common Stock of USD 0.01 each	100,000	69.15	100,000	65.17
20,000,000 (As at March 31, 2018- 20,000,000) Common Stock of USD 1.00 each	2,000,000	1,383.00	2,000,000	1,303.40
	2,100,000	1,452.15	2,100,000	1,368.57
Issued, Subscribed and paid-up				
1,585,000 (As at March, 2018- 1,585,000) Common Stock of USD 0.01 each	15,850	10.96	15,850	10.33
1,500,000 (As at March, 2018- 1,500,000) Common Stock of USD 1.00 each	1,500,000	1,037.25	1,500,000	977.55
	1,515,850	1,048.21	1,515,850	987.88

(a) Reconciliation of Share Capital

	₹(In Lakhs)			
	Face Value of USD 0.01 each		Face Value of USD 1.00 each	
As at March 31, 2019	Opening	Closing	Opening	Closing
No. of shares	1,585,000	1,585,000	1,500,000	1,500,000
Amount in USD	15,850	15,850	1,500,000	1,500,000
Amount in Rupees*	10.33	10.96	977.55	1,037.25

*change is on account of reinstatement

	₹(In Lakhs)			
	Face Value of USD 0.01 each		Face Value of USD 1.00 each	
As at March 31, 2018	Opening	Closing	Opening	Closing
No. of shares	1,585,000	1,585,000	1,500,000	1,500,000
Amount in USD	15,850	15,850	1,500,000	1,500,000
Amount in Rupees*	10.28	10.33	972.75	977.55

*change is on account of reinstatement

(b) Terms/rights attached to equity shares

The Company has two classes of common stock having par value of USD 0.01 per share and USD 1 per share. Both the class of shares have equal rights.

Each shareholder has right to vote in respect of such share on every resolution placed before the Company and his voting right on a poll shall be in proportion to his share of the paid up equity capital of the Company. In the event of liquidation the equity shareholders are entitled to receive the remaining assets of the Company after payments to secured and unsecured creditors, in proportion to their shareholding.

(c) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

	As at March 31, 2018		As at March 31, 2018	
	Nos.	%	Nos.	%
CyberTech Systems and Software Limited (Holding Company)				
Face Value of USD 0.01 each	1,585,000	100%	1,585,000	100.00%
Face Value of USD 1.00 each	1,500,000	100%	1,500,000	100.00%

d) During the previous five years, the Company has not issued Bonus shares/ bought back shares/issued shares for consideration other than cash.



Notes to financial statements for the year ended March 31, 2019

11 Other Equity

Particulars	Securities Premium		Retained Earnings		Foreign Currency Translation Reserve		Total	
	US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)
Balance as at March 31, 2017	1,569,150	1,017.59	(2,622,399)	(1,374.46)	-	(326.17)	(1,053,248)	(683.03)
Foreign Currency Reinstatement	-	5.02	-	-	-	(7.07)	-	(2.05)
Profit for the year	-	-	188,111	121.27	-	-	188,111	121.27
Balance as at March 31, 2018	1,569,150	1,022.62	(2,434,288)	(1,253.19)	-	(333.24)	(865,138)	(563.81)
Foreign Currency - Reinstatement	62.45	-	-	-	(103.96)	-	(41.51)	-
Profit for the year	-	-	937,574	655.41	-	-	937,574	655.41
Balance as at March 31, 2019	1,569,150	1,085.07	(1,496,714)	(597.78)	-	(437.20)	72,436	50.09

12 Trade payables

	As at March 31, 2019		As at March 31, 2018	
	US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)
Trade payables				
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-
-Total outstanding dues of creditors other than micro enterprises and small enterprises	4,173,222	2,885.78	3,553,689	2,315.94
Total	4,173,222	2,885.78	3,553,689	2,315.94

13 Other current liabilities

	As at March 31, 2019		As at March 31, 2018	
	US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)
Advance from customers	250,472	173.20	146,708	95.61
Income billed in advance	118,341	81.83	-	-
Total	368,813	255.03	146,708	95.61

14 Revenue from operations

	For the year ended March 31, 2019		For the year ended March 31, 2018	
	US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)
Sale of services				
Information technology services	12,695,322	8,874.66	11,566,078	7,456.53
Total	12,695,322	8,874.66	11,566,078	7,456.53

15 Other income

	For the year ended March 31, 2019		For the year ended March 31, 2018	
	US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)
Interest income on				
Deposit with banks	3,790	2.65	1,043	0.67
Sundry credit balances written back (Net)	-	-	1,140	0.74
Total	3,790	2.65	2,183	1.41

16 Employee benefits expense

	For the year ended March 31, 2019		For the year ended March 31, 2018	
	US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)
Salaries and wages	3,076,681	2,150.75	3,163,866	2,039.72
Contribution to other funds	73,323	51.26	163,736	105.56
Staff welfare expenses	188,183	131.55	188,127	121.28
Total	3,338,187	2,333.56	3,515,729	2,266.56

Notes to financial statements for the year ended March 31, 2019

17 Depreciation and amortisation expense	For the year ended March 31, 2019		For the year ended March 31, 2018	
	US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)
Depreciation on property, plant and equipment	16,724	11.69	18,339	10.88
Amortisation on intangible assets	247,642	173.11	134,140	87.42
Total	264,366	184.80	152,479	98.30

18 Other expenses	For the year ended March 31, 2019		For the year ended March 31, 2018	
	US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)
Rent	147,085	102.82	146,156	94.23
Repairs & maintenance				
Plant and equipment	-	-	-	-
Others	14,213	9.94	11,829	7.63
Insurance	51,139	35.75	52,902	34.11
Rates and taxes	13,080	9.14	11,396	7.35
Travelling and conveyance	184,420	128.92	242,710	156.47
Communication	55,536	38.82	60,736	39.16
Electricity expenses	9,672	6.76	9,311	6.00
Professional fees	412,649	288.46	452,153	291.50
Provision for doubtful debts and advances	15,387	10.76	800	0.52
Auditors' remuneration	17,000	11.88	17,000	10.96
Miscellaneous expenses	198,671	138.88	179,046	115.41
Total	1,118,852	782.13	1,184,039	763.34

19	EARNINGS PER SHARE (EPS)	As at March 31, 2019		As at March 31, 2018	
		US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)
	Profit after tax(PAT) available for Equity Shareholders	937,574	655.41	188,111	121.27
	Weighted Average Number of Equity Shares outstanding for computing Basic EPS	1,515,850	1,515,850	1,515,850	1,515,850
	Nominal value of Equity Shares (In ₹)	1.00	69.15	1.00	65.17
	Basic and Diluted Earnings Per Share	0.62	43.24	0.12	8.00

20 CONTINGENT LIABILITIES AND COMMITMENTS

a) There are no legal cases by and against the Company.

b)	COMMITMENTS	As at March 31, 2019		As at March 31, 2018	
		US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)
	Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances)	-	-	-	-

21 RATES USED FOR CONVERSION

(Amount in ₹)

Particulars	Unit of Currency	As at March 31, 2019	As at March 31, 2018
Balance Sheet	USD	69.15	65.17
Statement of Profit and Loss	USD	69.91	64.47



Notes to financial statements for the year ended March 31, 2019

22 DISCLOSURE ON RELATED PARTY TRANSACTIONS

A) Names of related parties and description of relationship:

- a) **Group Companies/Holding Subsidiaries Joint Venture and Enterprises where KMP's / Relative of KMP's have significant influence with whom transactions have been entered during the year in the ordinary course of the business.**

CyberTech Systems and Software Limited- Holding Company
Spatialitics LLC-USA-Fellow subsidiary (w.e.f. April 1, 2019)

b) Key Management Personnel (KMP)

Mr. Vish Tadimety
Mr. Steven Jeske

B) Related party transactions with Group Companies/Joint Venture/KMP's/ Relative of KMP's/Enterprises where KMP and Relatives of KMP have significant influence during the year:

Particulars	For the year ended March 31, 2019		For the year ended March 31, 2018	
	US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)
Purchase of Services				
CyberTech Systems and Software Limited	6,554,120	4,580.64	5,984,160	3,858.24
Expenses/Reimbursement of Expenses				
CyberTech Systems and Software Limited	15,463	17.56	53,317	34.37
Spatialitics LLC-USA	327,728	229.10	-	-
Remuneration paid to				
Mr. Vish Tadimety	285,000	199.23	285,000	183.74
Mr. Steven Jeske	230,000	160.78	230,000	148.28

C) Outstanding Balances

Particulars	As at March 31, 2019		As at March 31, 2018	
	US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)
Payables				
CyberTech Systems and Software Limited	3,427,156	2,369.88	3,049,118	1,987.11
Mr. Vish Tadimety	11,875	8.21	11,875	7.98
Mr. Steven Jeske	9,583	6.63	9,583	6.44
Receivables				
Spatialitics LLC-USA	327,728	226.62	-	-

Notes:

- (i) All related party transactions entered during the year were in ordinary course of the business and are on arm's length basis.
- (ii) No amounts in respect of related parties have been written off / written back during the year, nor has any provision been made for doubtful debts / receivables during the year.
- (iii) Related party relationships have been identified by the management and relied upon by the Auditors.

22 Leases

Operating Lease:

The Company has taken commercial premises on lease basis, the agreements for which are mutually renewable /cancellable. The rental expenses in respect of operating lease are charged as rent under Note No. 18 under head 'Rent'.

Notes to financial statements for the year ended March 31, 2019

23 Financial Risk Management

Financial risk management objectives and policies:

The Company's business activities exposed it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company's Management has the overall responsibility for establishing and governing the Company's risk management framework.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings.

Risk	Exposure arising from	Measurement	Management
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities; working capital management
Credit risk	Cash and cash equivalents, trade receivables, Investments, loans and other financial assets measured at fair /amortised cost.	Ageing analysis/ Credit ratings	Diversification in various class of assets, credit limits and letters of credit
Market Risk - Foreign exchange	Financial assets and liabilities	Cash flow forecasting Sensitivity analysis	Hedging, Forex planning
Market Risk - Interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Interest rate swaps

(A) Market Risk- Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. The Company does not have any borrowings from banks.

(i) Exposure to interest rate risk - Financial liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Borrowings bearing variable rate of interest - Cash credits - short term in nature	-	-

Hence, the Company is not significantly exposed to the interest rate risk as working capital facility are, as per contractual terms, primarily of short term in nature.

(B) Market Risk- Foreign currency risk.

The company does not have any foreign currency exposure.

Derivative Contracts and unhedged foreign currency exposure

(Derivative contracts outstanding as at March 31, 2019

(₹ in Lakhs)

	As at March 31, 2019		As at March 31, 2018	
	In Foreign Currency	Amount	In Foreign Currency	Amount
Forward Contract to sell USD	-	-	-	-



Notes to financial statements for the year ended March 31, 2019

Unhedged foreign currency exposure as at March 31, 2019

(₹ in Lakhs)

	As at March 31, 2019		As at March 31, 2018	
	In Foreign Currency	Amount	In Foreign Currency	Amount
Trade receivables	-	-	-	-

A change of 1% in Foreign currency would have following Impact on profit before tax

(₹ in Lakhs)

	As at March 31, 2019		As at March 31, 2018	
	1% Increase	1% decrease	1% Increase	1% decrease
Increase / (decrease) in profit or loss	-	-	-	-

(C) Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. The Company is exposed to credit risk from its operating activities (trade receivables) and from its financing activities including deposits with banks and financial institutions and debentures and bonds, foreign exchange transactions and financial instruments.

To manage the credit risk from trade receivables, the Company periodically assess financial reliability of customer, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly. The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period.

Credit risk from investments is managed by the Company's treasury in accordance with the board approved policy and limits.

To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- Actual or expected significant adverse changes in business,
- Actual or expected significant changes in the operating results of the counterparty,
- Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- Significant increase in credit risk on other financial instruments of the same counterparty,
- Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees.

Ageing of Account receivables

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
0-3 months	1,560.64	1,310.58
3-6 months	99.23	64.21
6 months to 12 months	-	-
beyond 12 months	10.75	0.52
Total	1,670.62	1,375.31

Movement in provisions of doubtful debts

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Opening provision	0.52	-
Add:- Additional provision made	10.64	(0.52)
Less:- Provision write off/ reversed	-	-
Less:- Provision utilised against bad debts	(10.12)	(0.52)
Closing provisions	-	-

Notes to financial statements for the year ended March 31, 2019

(D) Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time, or at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related such risk are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows. The Company's objective is to maintain at all times, optimum levels of liquidity to meet its obligations.

Financing arrangements

The company had no borrowing facilities at end of reporting period:

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Variable Borrowing -Expires within 1 year	-	-

Maturity patterns of borrowings

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
0-1 years	-	-
more than 1 year	-	-
Total	-	-

Maturity patterns of other Financial Liabilities

Trade Payables

(In US Dollar)

Particulars	As at March 31, 2019	As at March 31, 2018
0-1 years	4,173,222	3,553,689
more than 1 year	-	-
Total	4,173,222	3,553,689

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
0-1 years	2,885.78	2,315.94
more than 1 year	-	-
Total	2,885.78	2,315.94

24 Financial instruments

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions are used to estimate the fair values:

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.



Notes to financial statements for the year ended March 31, 2019

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The carrying amounts and fair values of financial instruments by category are as follows:

a. Financial assets

₹ in lakhs

	Instruments carried at fair value			Instruments carried at amortized cost			Total carrying amount (A+B)
	FVOCI (Equity instruments)	FVOCI (Other instruments)	FVTPL	Total fair value (A)	Carrying amount (B)	Fair value	
As at March 31, 2018							
Trade receivables	-	-	-	-	1,375.31	1,375.31	1,375.31
Cash and cash equivalents	-	-	-	-	494.80	494.80	494.80
Other financial assets	-	-	-	-	72.00	72.00	72.00
Total	-	-	-	-	1,942.11	1,942.11	1,942.11
As at March 31, 2019							
Trade receivables	-	-	-	-	1,670.62	1,670.62	1,670.62
Cash and cash equivalents	-	-	-	-	1,183.20	1,183.20	1,183.20
Other financial assets	-	-	-	-	73.19	73.19	73.19
Total	-	-	-	-	2,927.01	2,927.01	2,927.01

b. Financial liabilities

(₹ in Lakhs)

	Instruments carried at fair value		Instruments carried at amortized cost		Total carrying amount (A+B)
	FVTPL	Total carrying amount and fair value (A)	Carrying amount (B)	Fair value	
As at March 31, 2018					
Trade payables	-	-	95.61	95.61	95.61
Total	-	-	95.61	95.61	95.61
As at March 31, 2019					
Trade payables	-	-	255.03	255.03	255.03
Total	-	-	255.03	255.03	255.03

The Management assessed that fair value of cash and cash equivalents, trade receivables, investments in term deposits, loans, other financial assets (except derivative financial instruments), trade payables, and other financial liabilities (except derivative financial instruments) is considered to be equal to the carrying amount of these items due to their short-term nature.

c. Fair value estimation

For financial instruments measured at fair value in the Balance Sheet, a three level fair value hierarchy is used that reflects the significance of inputs used in the measurements. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as follows:

- Level 1: quoted prices for identical instruments
- Level 2: directly or indirectly observable market inputs, other than Level 1 inputs; and
- Level 3: inputs which are not based on observable market data.

Notes to financial statements for the year ended March 31, 2019

For assets and liabilities which are carried at fair value, the classification of fair value calculations by category is summarised below:

	(₹ in Lakhs)			
	Level 1	Level 2	Level 3	Total
As at March 31, 2017				
Assets at fair value				
Investments in Mutual Funds	-	-	-	-
As at March 31, 2018				
Assets at fair value				
Investments in Mutual Funds	-	-	-	-
As at March 31, 2019				
Assets at fair value				
Investments in Mutual Funds	-	-	-	-

Note - Mutual funds are valued using the Closing Net Asset Value (NAV)

25 Capital risk management

(a) Risk management

The Company's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other and
- maintain an optimal capital structure to reduce the cost of capital

The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares.

26 The Company is yet to receive balance confirmations in respect of certain financial assets and financial liabilities. The Management does not expect any material difference affecting the current year's financial statements due to the same.

27 The previous year's figures have been regrouped/re-classified wherever required to conform to current years classification.

28 The financial statements were approved for issue by the Board of Directors on May 08, 2019.

For and on behalf of the Board of Directors

Steven Jeske
Director

Place: Oakbrook
Date: May 08, 2019

SPATIALITICS LLC (USA)
(WHOLLY OWNED SUBSIDIARY)
ANNUAL REPORT-2018-19

BOARD'S REPORT

To the Members of Spatialitics LLC, USA

Your Directors have pleasure in presenting its First Annual Report on the Business and Operations of your Company together with the Audited Accounts of the Company for the year ended March 31, 2019.

COMPANY FINANCIAL RESULTS:

Particulars	(Amt in USD)
	2018-19
Gross Revenue	Nil
Profit/(Loss) before Interest & Depreciation	Nil
Interest	Nil
Depreciation	Nil
Profit/(Loss) before tax	(254,378)
Provision for tax	Nil
Current Tax	Nil
Profit after tax	(254,378)
Profit/(Loss) b/f from previous year	Nil
Balance to be carried forward	(254,378)

REVIEW OF COMPANY'S OPERATIONS AND PERFORMANCE:

OSpatialitics LLC is a Wholly owned subsidiary of CyberTech Systems and Software Limited. Spatialitics is formed to focus on Enterprise GeoSpatial applications and analytics based on unique data and middleware technology - designed to unleash the operational efficiencies of Enterprises. Operations of the Spatialitics LLC ("Spatialitics") are integrated with its parent company viz., CyberTech Systems and Software Limited.

Spatialitics' primary value proposition are:

- Deliver significant ROI and enterprise digitalization efficiencies to clients.
- Platform that delivers complex Spatial Analytics leveraging composite data from a variety of sources including ERP, GIS, Healthcare Systems or CRM
- Vertical Industry Solutions for Law Enforcement, Healthcare and Utilities

Spatialitics is growing in line with the strategy. The Company seeks significant momentum in HIPAA-Compliant Geocoding service and Utilities Apps suite. Spatialitics® meshes Business Process and Geographic data in GeoSpatial Apps/Analytics cloud platform. It will unlock the power of map-centric apps in Enterprise, Public Safety, Healthcare and Utilities industries. We will put map-centric apps and workflows in the hands of Enterprise, Public Sector/Safety Workers to resolve business issues anywhere, anyplace.

During the year under review, an Industry Advisory Board was constituted with prominent industry leaders from various domains. Captain Brandon Gillespie from Modesto Police Department joined the Advisory Board as our Public Safety expert. His advice will help us to revolutionize the public safety sector with the use of spatial analytics. Also, Mr. Mike Armstrong, GM of WaterOne® joined as the Chairman of the Advisory Board. His leadership will help Spatialitics to deliver superior value to regulated industries, such as Utilities, using spatial analytics and establish Industry user groups.

Spatialitics shall continue to focus strongly on marketing to generate demand. During the year, we participated and showcased our SAP offerings and Spatialitics products in SAP FKOM (SAP Field Kick-Off Meeting) 2019 and GeoSpatial World Forum 2019. Our experts were part of panel discussions in several SAP® and Esri® events. Spatialitics has also become a member of American Water Works Association (AWWA). Your Company has also participated in the Sapphire 2019, largest annual SAP user event.

The Company aims to become a 'Geospatial Platform and Solutions Provider' space with increased focus on spatial analytics platforms.

Registered Office

1301, West 22nd Street,
Suite 308, Oak Brook,
IL 60523, USA.

For and on behalf of the Board of Directors

Vish Tadimety
Director

Place : Trevoze, PA, USA
Date : August 09, 2019

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SPATIALITICS LLC. (USA)

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of **Spatialitics LLC. (USA)** ("the Company"), which comprise the Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows, for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements 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, of the state of affairs of the Company as at 31st March, 2019 and its loss (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Responsibilities of Management and those charged with governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act and relevant rules thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial control system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that individually or in aggregate makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work and (ii) to evaluate the effect of and identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters:

The audit report has been prepared for the purpose of enabling Parent Company's financial reporting requirement under the Act and should not be used for purposes other than that which it is meant for.

For LODHA & CO.
Chartered Accountants
Firm Registration No: 301051E

R. P. Baradiya
Partner
Membership No. 44101

Place: Mumbai
Date: May 08, 2019

Balance Sheet as at March 31, 2019

Particulars	Note	As at March 31, 2019	
		US Dollars	₹(In Lakhs)
I. ASSETS			
1 Non-current assets			
Property, plant and equipment		-	-
Capital work -in -progress	2	18,129	12.54
Intangible assets		-	-
Intangible assets under development		-	-
Financial assets		-	-
Other financial assets		-	-
Total non-current assets		18,129	12.54
2 Current assets			
Financial assets			
Trade receivables		-	-
Cash and cash equivalents	3	300,351	207.69
Other current financial assets		-	-
Other current assets	4	8,501	5.88
Total current assets		308,852	213.57
Total assets		326,981	226.11
II EQUITY AND LIABILITIES			
1 Equity			
Equity share capital	5	200,000	138.30
Other equity	6	(254,379)	(175.87)
Total equity		(54,379)	(37.57)
Liabilities			
3 Current liabilities			
Financial liabilities		-	-
Trade payables	7		
-Total outstanding dues of micro enterprises and small enterprises			
-Total outstanding dues of creditors other than micro enterprises and small enterprises		381,360	263.68
Other current liabilities		-	-
Total current liabilities		381,360	263.68
Total equity and liabilities		326,981	226.11
Significant Accounting Policies		1	
The accompanying notes are an integral part of the standalone financial statements			

As per our report of even date

For **LODHA & CO.**
Firm Registration Number - 301051E
Chartered Accountants

Sd/-

R.P.Baradiya
Partner
Membership. No. 44101

Place : Mumbai
Date : May 08, 2019

For and on behalf of the Board of Directors

Sd/-

Steven Jeske
Director

Place : Oakbrook
Date : May 08, 2019

Statement of Profit and Loss for the year ended March 31, 2019

Particulars	Note	For the year ended March 31, 2019	
		US Dollars	₹(In Lakhs)
I Revenue from Operations		-	-
II Other Income		-	-
III Total Income (I + II)		-	-
IV Expenses			
Employee benefits expense	8	177,689	124.22
Other expenses	9	76,690	53.60
Total expenses (IV)		254,379	177.82
V Loss before tax		(254,379)	(177.82)
VI Tax expense			
Current tax		-	-
Deferred tax (credit)		-	-
		-	-
VII Loss for the year (V - VI)		(254,379)	(177.82)
VIII Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurements of net defined benefit plans		-	-
" Income tax relating to items that will not be reclassified to profit or loss"		-	-
		-	-
Other Comprehensive Income for the year (VIII)		-	-
IX Total Comprehensive Income for the year (VII - VIII)		(254,379)	(177.82)
X Earnings per equity share:			
Basic & Diluted	10	(1.27)	(1.29)
Significant Accounting Policies	1		
The accompanying notes are an integral part of the standalone financial statements			

As per our report of even date

For **LODHA & CO.**
Firm Registration Number - 301051E
Chartered Accountants

R.P.Baradiya
Partner
Membership. No. 44101

Place : Mumbai
Date : May 08, 2019

For and on behalf of the Board of Directors

Steven Jeske
Director

Place : Oakbrook
Date : May 08, 2019

Statement of changes in equity for the year ended March 31, 2019

(A) Equity Share Capital

	US Dollars	₹(In Lakhs)
Balance as at March 31, 2018		-
Changes in share capital during the year	200,000	138.30
Balance as at March 31, 2019	200,000	138.30

(B) Other Equity

Particulars	Securities Premium Reserve		Retained Earnings		Foreign Currency Translation Reserve		Total	
	US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)
Balance as at 31st March, 2018	-	-	-	-	-	-	-	-
Foreign Currency Reinstatement		-				1.95	-	1.95
Profit for the year	-		(254,379)	(177.82)	-	-	(254,379)	(177.82)
Balance as at 31st March, 2019	-	-	(254,380)	(177.82)	-	1.95	(254,380)	(175.87)

Significant accounting policies

1

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For **LODHA & CO.**
Firm Registration Number - 301051E
Chartered Accountants

For and on behalf of the Board of Directors

R.P.Baradiya
Partner
Membership. No. 44101

Steven Jeske
Director

Place : Mumbai
Date : May 08, 2019

Place : Oakbrook
Date : May 08, 2019

Statement of Cash Flows for the year ended March 31, 2019

Particulars	For the year ended March 31, 2019	
	US Dollars	₹(In Lakhs)
A. Cash flow from operating activities		
Loss for the year	(254,379)	(177.82)
Adjustments for:		
Unrealised foreign exchange gain	-	1.95
Operating profit before working capital changes	(254,379)	(175.87)
Adjustments for:		
Decrease/(Increase) in Trade receivables		
Decrease/(Increase) in Other receivables	(8,501)	(5.88)
Increase/(Decrease) in Trade and other payables	381,360	263.68
Cash generated from operations	118,480	81.93
Direct taxes paid (net)	-	-
Net cash generated from operating activities (A)	118,480	81.93
B. Cash flow from investing activities		
Purchase of property, plant & equipment	(18,129)	(12.54)
Interest received		
Net cash used in investing activities (B)	(18,129)	(12.54)
C. Cash flow from financing activities		
Share Capital issued	200,000	138.30
Net cash from financing activities (C)	200,000	138.30
Net Increase in cash & cash equivalents (A + B + C)	300,351	207.69
Cash & cash equivalents - Opening	-	-
Cash & cash equivalents - Closing	300,351	207.69
Significant accounting policies	1	
The accompanying notes are an integral part of the standalone financial statements.		

As per our report of even date

For **LODHA & CO.**
Firm Registration Number - 301051E
Chartered Accountants

R.P.Baradiya
Partner
Membership. No. 44101

Place : Mumbai
Date : May 08, 2019

For and on behalf of the Board of Directors

Steven Jeske
Director

Place : Oakbrook
Date : May 08, 2019

Notes to financial statements for the year ended March 31, 2019

'NOTE '1'

SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Preparation of Financial Statements:

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting standards) Rules, 2015 as amended from time to time and other related provisions of the Act.

The accounting policies are applied consistently to all the periods presented in the financial statements. All assets and liabilities have been classified as current or non current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

The financial statements are presented in US Dollar & Indian Rupee (INR).

2. Use of Estimates and judgments:

The preparation of the financial statements requires the Management to make, judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. The recognition, measurement, classification or disclosure of an item or information in the financial statements is made relying on these estimates. The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the management and are based on historical experience and various other assumptions and factors (including expectations of future events) that the management believes to be reasonable under the existing circumstances. Actual results may differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

Critical accounting judgements and key source of estimation uncertainty

The Company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. The estimates and underlying assumptions are reviewed on an on-going basis.

3. Property, plant and equipment (PPE)

Property, plant and equipment is stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable costs of bringing the asset to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure Subsequent costs are included in the assets carrying amount or recognized as a separate asset, as appropriate only if it is probable that the future economic benefits associated with the item will flow to the Company and that the cost of the item can be reliably measured.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress".

4. Intangible assets

Intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

5. Depreciation and Amortisation:

(a) Property plant and equipment (PPE)

Depreciation is provided on a pro-rata basis on the straight line method based on estimated useful life prescribed under Schedule II.

The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate.

(b) Intangible assets

The useful lives of intangible assets are assessed as either finite or indefinite. Finite-life intangible assets are amortised on a straight-line basis over the period of their expected useful lives. The amortisation period and the amortisation method for finite life intangible assets is reviewed at each financial year end and adjusted prospectively, if appropriate. For indefinite life intangible assets, the assessment of indefinite life is reviewed annually to determine whether it continues, if not, it is impaired or changed prospectively basis revised estimates.

Notes to financial statements for the year ended March 31, 2019

(c) Impairment

Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated depreciation) had no impairment loss been recognized for the asset in prior years.

6. Financial Instruments:

Financial assets - Initial recognition:

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instruments. On initial recognition, a financial asset is recognised at fair value, in case of Financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost are recognised in the statement of profit and loss. In other cases, the transaction cost are attributed to the acquisition value of the financial asset.

Subsequent measurement:

Financial assets are subsequently classified as measured at:

- amortised cost
- fair value through profit & loss (FVTPL)
- fair value through other comprehensive income (FVTOCI)

The above classification is being determined considering the:

- (a) the entity's business model for managing the financial assets and
- (b) the contractual cash flow characteristics of the financial asset.

Financial assets are not reclassified subsequent to their recognition, except if and in the period the group changes its business model for managing financial assets.

(i) Measured at amortised cost:

Financial assets are subsequently measured at amortised cost, if these financial assets are held within a business module whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified date to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Measured at fair value through other comprehensive income (FVTOCI):

Financial assets are measured at FVTOCI, if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.

(iii) Measured at fair value through profit or loss (FVTPL):

Financial assets other than equity instrument are measured at FVTPL unless it is measured at amortised cost or at FVTOCI on initial recognition. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised in the Statement of Profit and Loss.

Equity instruments:

"On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to Statement of Profit and Loss on disposal of the investments.

Notes to financial statements for the year ended March 31, 2019

Dividends on these investments in equity instruments are recognised in Statement of Profit and Loss when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. Dividends recognised in Statement of Profit and Loss are included in the 'Other income' line item."

Impairment

The Company recognises a loss allowance for Expected Credit Losses (ECL) on financial assets that are measured at amortised cost and at FVOCI. The credit loss is difference between all contractual cash flows that are due to an entity in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. This is assessed on an individual or collective basis after considering all reasonable and supportable including that which is forward looking.

The Company's trade receivables or contract revenue receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall, being simplified approach for recognition of impairment loss allowance.

Under simplified approach, the Company does not track changes in credit risk. Rather it recognizes impairment loss allowance based on the lifetime ECL at each reporting date right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For financial assets other than trade receivables, the Company recognises 12-months expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. If, in a subsequent period, credit quality of the instrument improves such that there is no longer significant increase in credit risks since initial recognition, then the Company reverts to recognizing impairment loss allowance based on 12 months ECL. The impairment losses and reversals are recognised in Statement of Profit and Loss.

For equity instruments and financial assets measured at FVTPL, there is no requirement of impairment testing.

Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers rights to receive cash flows from an asset, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement.

In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Financial Liabilities

Initial Recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial liabilities are initially recognised at fair value net of transaction costs for all financial liabilities not carried at fair value through profit or loss.

The Company's financial liabilities includes trade and other payables, loans and borrowings including bank overdrafts.

Subsequent measurement

Financial liabilities measured at amortised cost are subsequently measured at using EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

Loans & Borrowings:

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using EIR method. Gains and losses are recognized in profit & loss when the liabilities are derecognized as well as through EIR amortization process.

Financial Guarantee Contracts

Financial guarantee contracts issued by the Company are those contracts that requires a payment to be made or to reimburse the holder for a loss it incurs because the specified debtors fails to make payment when due in accordance with the term of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee.

Notes to financial statements for the year ended March 31, 2019

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Derivative financial instruments

The Company uses derivative financial instruments, such as forward foreign exchange contracts, to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value, with changes in fair value recognised in Statement of Profit and Loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

7. Fair Value Measurement

The Company measures financial instruments, such as, derivatives, investments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- (a) In the principal market for the asset or liability, or
- (b) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- (i) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- (ii) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- (iii) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above

8. Cash and Cash Equivalents:

Cash and Cash equivalents include cash and Cheque in hand, bank balances, demand deposits with banks and other short-term highly liquid investments that are readily convertible to known amounts of cash & which are subject to an insignificant risk of changes in value where original maturity is three months or less.

9. Foreign Currency Transactions:

All assets and liabilities, both monetary and non-monetary, are translated at the closing rate while the income and expenses are translated at the average rate for the year. The resulting exchange differences have been accumulated in the Foreign Currency Translation Reserve.

10. Revenue Recognition:

The Company derives revenues primarily from information technology services comprising of software development, consulting and customer support services, and from the licensing of software products and platforms.

Notes to financial statements for the year ended March 31, 2019

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration expected to be received in exchange for those products or services. Arrangements with customers for information technology services are either on a fixed-price, fixed-time frame or on a time-and-material basis.

Revenue on time-and-material contracts are recognized as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognized as unbilled revenue. Revenue from fixed-price, fixed-time frame contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage-of-completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Maintenance revenue is recognized ratably over the term of the underlying maintenance arrangement.

Revenues in excess of invoicing are classified as contract assets (which we refer to as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (which we refer to as Income billed in advance). Revenue from licenses where the customer obtains a "right to use" the licenses is recognized at the time the license is made available to the customer. Revenue from licenses where the customer obtains a "right to access" is recognized over the access period. Arrangements to deliver software products generally have three elements : license, implementation and Annual Maintenance Services (AMS). The Company has applied the principles under Ind AS 115 to account for revenues from these performance obligations. When implementation services are provided in conjunction with the licensing arrangement and the license and implementation have been identified as two separate performance obligations, the transaction price for such contracts are allocated to each performance obligation of the contract based on their relative standalone selling prices. In the absence of standalone selling price for implementation, the performance obligation is estimated using the expected cost plus margin approach. Where the license is required to be substantially customized as part of the implementation service, the entire arrangement fee for license and implementation is considered to be a single performance obligation and the revenue is recognized using the percentage-of-completion method as the implementation is performed. Revenue from client training, support and other services arising due to the sale of software products is recognized as the performance obligations are satisfied. AMS revenue is recognized ratably over the period in which the services are rendered.

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch-up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

The Company presents revenues net of indirect taxes in its Statement of Profit and Loss.

11. Employee Benefits:

a) Compensation and Short-term employee benefits :

All employee benefits which are payable within twelve months of rendering the service are classified as short term employee benefits. Compensation are recognized at actual amounts due in the period in which the employee renders the related service. Vacation pay is recognized when taken and only limited amounts may be carried forward from year to year.

Associated Short-term Benefits include the following:

- i) Healthcare Insurance
- ii) Disability Insurance
- iii) Life Insurance

All Short-term Benefits Cost is shared between the Company and the Employee. The Company portion is recognized at actual amount in the period billed.

b) Other Short-term Benefits:

- Defined Contribution Plans:

Contributions are made annually to the Companies 401k Plan (Defined Contribution Plan) based on savings contributions made by employees. All Company contributions accrue to the benefit of and are 100% vested to employees when earned, based on their contribution and as defined by the US Safe Harbor contribution limitations. The Company contribution is recognized monthly on an accrual basis in the period that employee contributions are credited.

c) Long-term Post Retirement Benefits:

The Company does not sponsor a Defined Benefit or other Post Retirement Benefit Plan.

Notes to financial statements for the year ended March 31, 2019

12. Taxes on Income:

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.

13. Borrowing Cost:

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalized as a part of Cost of that assets, during the period till all the activities necessary to prepare the Qualifying assets for its intended use or sale are complete during the period of time that is required to complete and prepare the assets for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are recognized as an expense in the period in which they are incurred.

14. Earnings Per Share:

Basic earnings per shares are calculated by dividing the net profit or loss after tax for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to the equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

15. Leases:

Where the Company is Lessee

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on accrual basis as per the terms of agreements entered with the counter parties.

16. Provisions, Contingent Liabilities and Contingent Assets:

A provision is recognised if, as a result of a past event, the group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract.

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources or an obligation for which the future outcome cannot be ascertained with reasonable certainty. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are neither recognized nor disclosed in financial statements.

Recent accounting pronouncements.

Ind AS 116 - Leases

On March 30, 2019, Ministry of Corporate affairs have notified Ind AS 116 – “Leases”. Ind As 116 will replace the existing leases standards Ind As 17 – “Leases” and related interpretations. The new standard sets out the principles for the recognition, measurement, presentation and disclosures of lease for both lease and lessor. Ind AS 116 introduces a single lease accounting model and requires a lessee to recognise the assets and liabilities for all leases with a term of more than 12 months, unless the underlying assets are of low value. Ind As 116 substantially carried forward the accounting treatment prescribed for lessor. The effective date for adoption of Ind AS 116 is annual period beginning on or after April 01, 2019. The Company is evaluating the impact of the issued Ind AS 116 on its financial statements.

Ind AS 12 – “Income taxes” - Appendix C – Uncertainty over income tax treatments

On March 30, 2019, Ministry of Corporate affairs have notified Appendix C to Ind As 12, uncertainty over the income tax treatments which is to be applied while performing the determination of taxable profits/(loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, the company needs to determine the probability of the relevant tax authorities accepting the each tax treatments that the companies have used or plan to use in their income tax filings which has to be considered to compute the most likely amount or expected value of the tax treatments, when determining the taxable profits/(loss), tax bases, unused tax losses, unused tax credits and tax rates. The effective date for adoption of Ind AS 116 is annual period beginning on or after April 01, 2019. The Company is evaluating the impact of the issued appendix C on its financial statements.

Notes to financial statements for the year ended March 31, 2019

2 Capital Work-in-Progress	As at March 31, 2019	
	US Dollars	₹ (in Lakhs)
Software	18,129	12.54
Total	18,129	12.54

3 Capital Work-in-Progress	As at March 31, 2019	
	US Dollars	₹ (in Lakhs)
Balances with Banks		
In current accounts	300,351	207.69
Total	300,351	207.69

4 Other current assets	As at March 31, 2019	
	US Dollars	₹ (in Lakhs)
Unsecured, considered good		
Prepaid expenses	8,501	5.88
Total	8,501	5.88

5 Equity Share Capital	As at March 31, 2019	
	US Dollars	₹(In Lakhs)
Authorised		
10,000,000 Units of USD 1.00 each	10,000,000	6,915.00
	10,000,000	6,915.00
Issued, Subscribed and paid-up		
200,000 Units of USD 1.00 each	200,000	138.30
	200,000	138.30

(a) Reconciliation of Share Capital

As at March 31, 2019	Face Value of USD 1.00 each	
	Opening	Closing
No. of Units	-	200,000
Amount in USD	-	200,000
Amount in Rupees	-	138.30

(b) Terms/rights attached to equity shares

The company has units having par value of USD 1 per unit

Each shareholder has right to vote in respect of such share on every resolution placed before the Company and his voting right on a poll shall be in proportion to his share of the paid up equity capital of the Company. In the event of liquidation the equity shareholders are entitled to receive the remaining assets of the Company after payments to secured and unsecured creditors, in proportion to their shareholding.

Notes to financial statements for the year ended March 31, 2019

c) Details of Units held by unitholders holding more than 5% of the aggregate units in the Company

	As at March 31, 2019	
	Nos.	%
CyberTech Systems and Software Limited (Holding Company)		
Face Value of USD 1.00 each	200,000	100%

6 Other Equity

Particulars	Securities Premium Reserve		Retained Earnings		Foreign Currency Translation Reserve		Total	
	US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)
Balance as at 31st March, 2018					-			
Foreign Currency Reinstatement		-				1.95	-	1.95
Profit for the year	-		(254,379)	(177.82)	-	-	(254,379)	(177.82)
Balance as at 31st March, 2019	-	-	(254,379)	(177.82)	-	1.95	(254,379)	(175.87)

7 Trade payables

	As at March 31, 2019	
	US Dollars	₹(In Lakhs)
Trade payables		
-Total outstanding dues of micro enterprises and small enterprises	-	-
-Total outstanding dues of creditors other than micro enterprises and small enterprises	381,360	263.68
Total	381,360	263.68

8 Employee benefits expense

	As at March 31, 2019	
	US Dollars	₹(In Lakhs)
Salaries and wages	174,189	121.77
Staff welfare expenses	3,500	2.45
Total	177,689	124.22

9 Other expenses

	As at March 31, 2019	
	US Dollars	₹(In Lakhs)
Repairs & maintenance		
Plant and equipment	-	-
Others	119	0.08
Rates and taxes	210	0.15
Travelling and conveyance	4,155	2.90
Communication	75	0.05
Professional fees	10,532	7.36
Auditors' remuneration	1,500	1.05
Miscellaneous expenses	60,099	42.01
Total	76,690	53.60

Notes to financial statements for the year ended March 31, 2019

10 EARNINGS PER SHARE (EPS)

Particulars	As at March 31, 2019	
	US Dollars	₹(In Lakhs)
Loss available for Equity Shareholders	(254,379)	(177.82)
Weighted Average Number of Equity Shares outstanding for computing Basic EPS	200,000	13,830,000
Nominal value of Equity Shares (In ₹)	1.00	69.15
Basic and Diluted Earnings Per Share	(1.27)	(1.29)

11 CONTINGENT LIABILITIES

There are no legal cases by and against the Company.

12 RATES USED FOR CONVERSION

Particulars	Unit of Currency	For the year 2018-19
Balance Sheet	USD	69.15
Statement of Profit and Loss	USD	69.91

13 DISCLOSURE ON RELATED PARTY TRANSACTIONS

A) Names of related parties and description of relationship:

a) **Group Companies/Holding Subsidiaries Joint Venture and Enterprises where KMP's / Relative of KMP's have significant influence with whom transactions have been entered during the year in the ordinary course of the business:**

CyberTech Systems and Software Limited- Holding Company
CyberTech Systems and Software inc-USA- Fellow subsidiary

b) Key Management Personnel (KMP)

Mr. Vish Tadimety
Mr. Steven Jeske

B) Related party transactions with Group Companies/Joint Venture/KMP's/ Relative of KMP's/Enterprises where KMP and Relatives of KMP have significant influence during the year:

Particulars	As at March 31, 2019	
	US Dollars	₹(In Lakhs)
Expenses/Reimbursement of Expenses		
CyberTech Systems and Software Limited	15,463	10.81
CyberTech Systems and Software inc-USA	102,728	71.81

C) Outstanding balances

Particulars	As at March 31, 2019	
	US Dollars	₹(In Lakhs)
Payables		
CyberTech Systems and Software Limited	16,457	11.38
CyberTech Systems and Software inc-USA	327,728	226.62

Notes to financial statements for the year ended March 31, 2019

Notes:

- (i) All related party transactions entered during the year were in ordinary course of the business and are on arm's length basis.
- (ii) No amounts in respect of related parties have been written off / written back during the year, nor has any provision been made for doubtful debts / receivables during the year.
- (iii) Related party relationships have been identified by the management and relied upon by the Auditors.

14 Operating Lease:

The Company has not taken commercial premises on lease basis, the agreements for which are mutually renewable /cancellable.

15 Financial Risk Management

Financial risk management objectives and policies:

The Company's business activities exposed it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company's Management has the overall responsibility for establishing and governing the Company's risk management framework.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings.

Risk	Exposure arising from	Measurement	Management
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities; working capital management
Credit risk	Cash and cash equivalents, trade receivables, Investments, loans and other financial assets measured at fair /amortised cost.	Ageing analysis/ Credit ratings	Diversification in various class of assets, credit limits and letters of credit
Market Risk - Foreign exchange	Financial assets and liabilities	Cash flow forecasting Sensitivity analysis	Hedging, Forex planning
Market Risk - Interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Interest rate swaps

(A) Market Risk- Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. The Company is having short term borrowings from banks.

(i) Exposure to interest rate risk - Financial liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Borrowings bearing variable rate of interest - Cash credits - short term in nature	-	-

Hence, the Company is not significantly exposed to the interest rate risk as working capital facility are, as per contractual terms, primarily of short term in nature.

(B) Market Risk- Foreign currency risk.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company has foreign currency trade receivables and is therefore exposed to foreign exchange risk. The exchange rates have been volatile in the recent years and may continue to be volatile in the future. Hence the operating results and financials of the Company may be impacted due to volatility of the rupee against foreign currencies.

Derivative Contracts and unhedged foreign currency exposure

(Derivative contracts outstanding as at March 31, 2019)

Notes to financial statements for the year ended March 31, 2019

(₹ in Lakhs)

	As at March 31, 2019		As at March 31, 2018	
	In Foreign Currency	Amount	In Foreign Currency	Amount
Forward Contract to sell USD	-	-	-	-

Unhedged foreign currency exposure as at March 31, 2019

(₹ in Lakhs)

	As at March 31, 2019		As at March 31, 2018	
	In Foreign Currency	Amount	In Foreign Currency	Amount
Trade receivables	-	-	-	-

A change of 1% in Foreign currency would have following Impact on profit before tax

(₹ in Lakhs)

	As at March 31, 2018	
	1% Increase	1% decrease
Increase / (decrease) in profit or loss	-	-

(C) Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. The Company is exposed to credit risk from its operating activities (trade receivables) and from its financing activities including investments in mutual funds, deposits with banks and financial institutions and debentures and bonds, foreign exchange transactions and financial instruments.

To manage the credit risk from trade receivables, the Company periodically assess financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly. The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period.

Credit risk from investments is managed by the Company's treasury in accordance with the board approved policy and limits.

To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- Actual or expected significant adverse changes in business,
- Actual or expected significant changes in the operating results of the counterparty,
- Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- Significant increase in credit risk on other financial instruments of the same counterparty,
- Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees.

Ageing of Account receivables

(₹ in Lakhs)

Particulars	As at March 31, 2019
0-3 months	-
3-6 months	-
6 months to 12 months	-
beyond 12 months	-
Total	-

Movement in provisions of doubtful debts

(₹ in Lakhs)

Particulars	As at March 31, 2019
Opening provision	
Add:- Additional provision made	-
Less:- Provision write off/ reversed	-
Less:- Provision utilised against bad debts	-
Closing provisions	-

Notes to financial statements for the year ended March 31, 2019

(D) Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time, or at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related such risk are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows. The Company's objective is to maintain at all times, optimum levels of liquidity to meet its obligations.

Financing arrangements

The company had access to following undrawn Borrowing facilities at end of reporting period:

(₹ in Lakhs)

Particulars	As at March 31, 2019
Variable Borrowing -Expires within 1 year	-

Maturity patterns of borrowings Maturity patterns of borrowings

(₹ in Lakhs)

Particulars	As at March 31, 2019
0-1 year	-
more than 1 year	-
Total	-

Maturity patterns of other Financial Liabilities

Trade Payables

(In US Dollar)

Particulars	As at March 31, 2019
0-1 year	381,360
more than 1 year	-
Total	381,360

16 Financial Instruments

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions are used to estimate the fair values:

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
- Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
- Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The carrying amounts and fair values of financial instruments by category are as follows:

a. Financial assets

₹ in lakhs

	Instruments carried at fair value			Instruments carried at amortized cost			Total carrying amount (A+B)
	FVOCI (Equity instruments)	FVOCI (Other instruments)	FVTPL	Carrying amount (A)	Carrying amount (B)	Fair value	
As at 31st March, 2019							
Cash and cash equivalents	-	-	-	-	207.69	207.69	207.69
Total	-	-	-	-	207.69	207.69	207.69

Notes to financial statements for the year ended March 31, 2019

b. Financial liabilities

	(₹ in Lakhs)				
	Instruments carried at fair value		Instruments carried at amortized cost		Total carrying amount (A+B)
	FVTPL	Total carrying amount and fair value (A)	Carrying amount (B)	Fair value	
As at March 31, 2019					
Trade payables	-	-	263.68	263.68	263.68
Total	-	-	263.68	263.68	263.68

The Management assessed that fair value of cash and cash equivalents, trade receivables, investments in term deposits, loans, other financial assets (except derivative financial instruments), trade payables, and other financial liabilities (except derivative financial instruments) is considered to be equal to the carrying amount of these items due to their short-term nature.

c. Fair value estimation

For financial instruments measured at fair value in the Balance Sheet, a three level fair value hierarchy is used that reflects the significance of inputs used in the measurements. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as follows:

- Level 1: quoted prices for identical instruments
- Level 2: directly or indirectly observable market inputs, other than Level 1 inputs; and
- Level 3: inputs which are not based on observable market data.

For assets and liabilities which are carried at fair value, the classification of fair value calculations by category is summarised below:

	(₹ in Lakhs)			
	Level 1	Level 2	Level 3	Total
As at March 31, 2019	-	-	-	-

17 Capital risk management

(a) Risk management

The Company's objectives when managing capital are to

- ◆ safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- ◆ maintain an optimal capital structure to reduce the cost of capital

The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares.

18 The Company is yet to receive balance confirmations in respect of certain financial assets and financial liabilities. The Management does not expect any material difference affecting the current year's financial statements due to the same.

19 The financial statements were approved for issue by the Board of Directors on May 08, 2019.

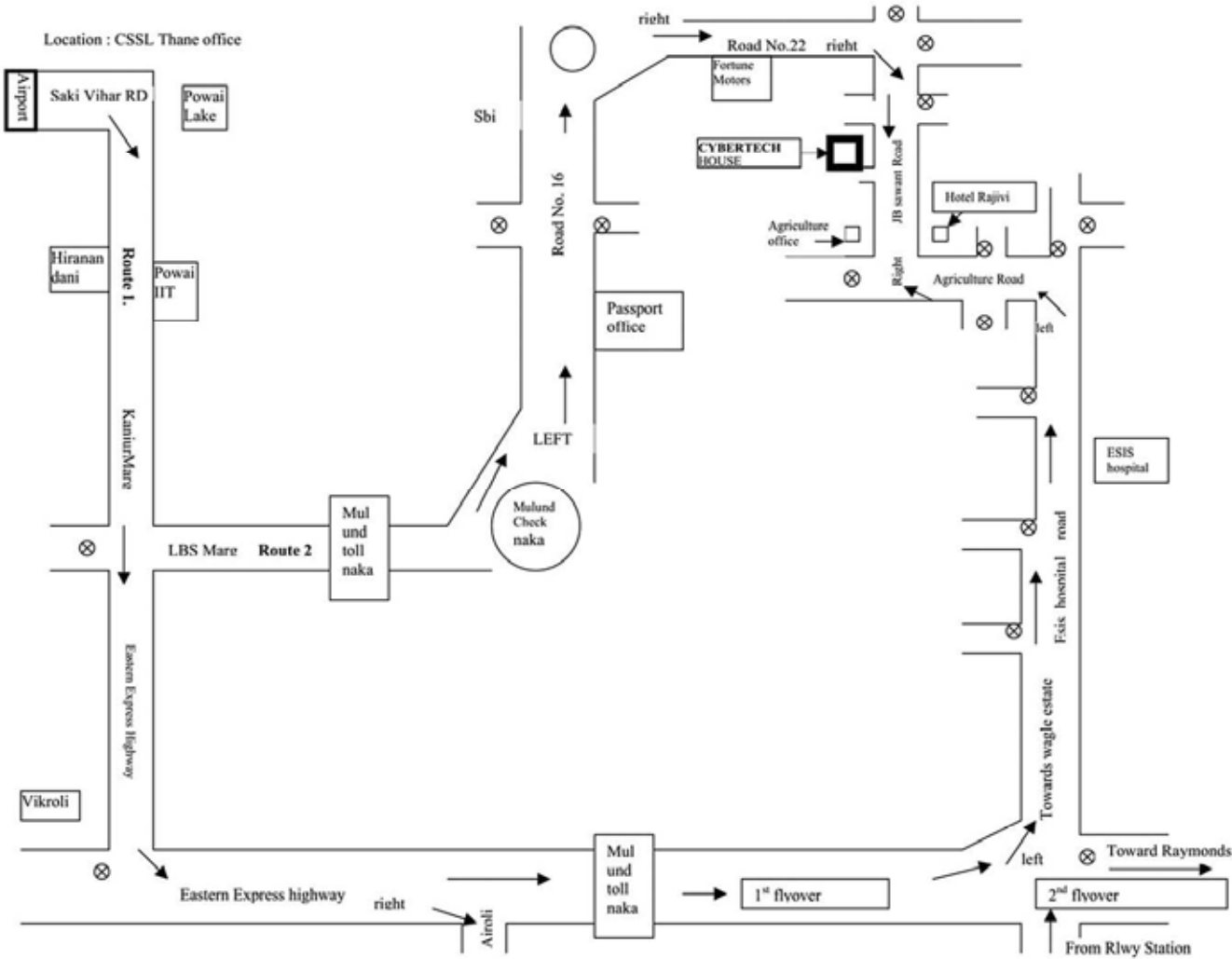
For and on behalf of the Board of Directors

Sd/-

Steven Jeske
Director

Place: Oakbrook
Date: May 08, 2019

Route Map to the venue of AGM





CyberTech

Systems and Software Limited

CyberTech House, B-63-64-65-MIDC Wagle Estate, J.B. Sawant Marg, Thane - 400 604

CIN - L72100MH1995PLC084788 | Tel. - 022 2583 4643/44/45 | Fax - 022 2583 2574

E-mail ID – cssl.investors@cybertech.com | Website - www.cybertech.com

ATTENDANCE SLIP

(To be handed over at the entrance of the meeting hall)

DP ID:	Folio No.:
Client ID:	No. of Shares:

Full name of the Shareholder/Proxy attending _____
(In block letters)

I hereby record my presence at the **24th Annual General Meeting** held on **Friday September 27, 2019** at 4.00 P.M. at the Registered Office of the Company at CyberTech House, B-63-64-65-MIDC, Wagle Estate, J.B. Sawant Marg, Thane - 400 604.

(Member's /Proxy's Signature)

Note:

- 1) The Proxy, to be effective should deposit Proxy Form (duly filled & signed) at the Registered Office of the Company not less than FORTY EIGHT HOURS before the commencement of the meeting.
- 2) A Proxy need not be a member of the Company.
- 3) Shareholder/Proxy holder desiring to attend the meeting should bring his copy of the Annual Report for reference at the meeting.
- 4) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by Proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.



CYBERTECH SYSTEMS AND SOFTWARE LIMITED

Registered Office: CyberTech House, Plot No. B-63/64/65, MIDC, Wagle Estate, J. B. Sawant Marg, Thane-400 604

Telephone No: 022-25834643, E-mail: cssl.investors@cybertech.com

Website: www.cybertech.com (CIN) : L72100MH1995PLC084788

PROXY FORM (Form No. MGT-11)

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name :	E-mail Id:
Address:	
Signature , or failing him	

I/We, being the member(s) holding _____ no. of shares of the above named company hereby appoint:

Name :	E-mail Id:
Address:	
Signature , or failing him	

Name :	E-mail Id:
Address:	
Signature , or failing him	

Name :	E-mail Id:
Address:	
Signature , or failing him	

as my/ our **proxy to attend and vote (on a poll)** for me/us and on my/our behalf at the 24th Annual General Meeting of the company, to be held on Friday, September 27, 2019 at 04.00 p.m. at CyberTech House, B-63-64-65-MIDC, J.B. Sawant, Marg, Wagle Estate, Thane - 400 604 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Resolutions	No. of Shares	For	Against
ORDINARY BUSINESS				
1	To consider and adopt the Audited (Standalone and Consolidated) Financial Statements for the year ended March 31, 2019 together with the reports of the Board of Directors and Auditors thereon.			
2	To declare a dividend of Re.1/- per Equity Share of face value of ₹ 10/- each for the financial year 2018-19.			
3	To appoint Director in place of Ms. Amogha Tadimety (DIN: 06952042), who retires by rotation and being eligible, offers herself for re-appointment.			
SPECIAL BUSINESS				
4	To approve the holding of office of profit by Mr. Steven Jeske as Director in CyberTech Systems and Software Inc. U.S.A.			
5	To approve the holding of office of profit by Mr. Vish Tadimety as Director in CyberTech Systems and Software Inc. U.S.A.			
6	To re-appoint Mr. Sudhir Joshi, as an Independent Director of the Company			
7	To re-appoint Dr. N. L. Sarda, as an Independent Director of the Company			
8	To re-appoint Dr. S. Karmalkar, as an Independent Director of the Company			
9	To re-appoint Mr. M. P. Bharucha, as an Independent Director of the Company			
10	To approve the payment of Commission to the Independent Directors of the Company			

Signature of Shareholder _____
(Please affix revenue stamp & sign across)

Signature of Proxy _____

Date: September _____, 2019

Note:

- 1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than **48 hours before** the date of commencement of the Meeting i.e. **on or before September 24, 2019**
- 2) The proxy need not be a member of the company.
- 3) Revenue Stamp has to be mandatorily affixed, failing which form shall be invalid.
- 4) Please refer the notice for further details



FINANCIAL HIGHLIGHTS

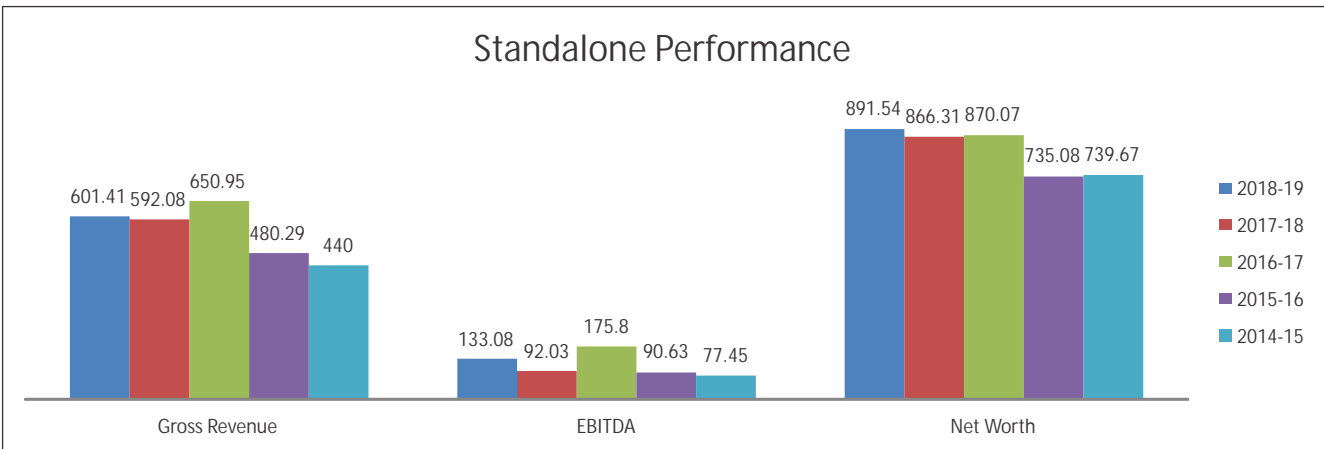
STANDALONE

in Million

Financial Year	2018-19	2017-18	2016-17	2015-16	2014-15
Gross Revenue	601.41	592.08	650.95	480.29	440.00
EBIDTA	133.08	92.03	175.80	90.63	77.45
Net Worth	891.54	866.31	870.07	735.08	739.67
Dividend Rate	10%*	10%	10%	10%	10%

* Subject to Shareholders' approval at the 24th AGM

Standalone Performance



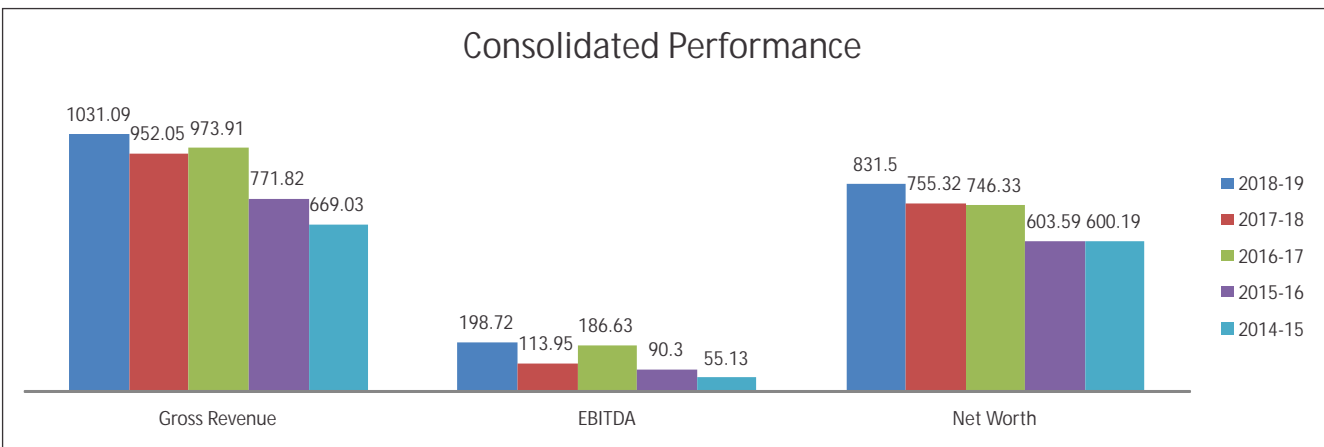
CONSOLIDATED

in Million

Financial Year	2018-19	2017-18	2016-17	2015-16	2014-15
Gross Revenue	1031.09	952.05	973.91	771.82	669.03
EBIDTA	198.72	113.95	186.63	90.30	55.13
Net Worth	831.50	755.32	746.33	603.59	600.19
Dividend Rate	10%*	10%	10%	10%	10%

* Subject to Shareholders' approval at the 24th AGM

Consolidated Performance



BOOK-POST



CyberTech
Systems and Software Limited

CIN : L72100MH1995PLC084788

'CyberTech House'

Plot no. 63/64/65, MIDC, Road No. 21/34, Wagle Estate, Thane (W) - 400604, India

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