



# CyberTech

Systems and Software Limited



## GEOCIVIC™

A SMART CITY INITIATIVE

***18<sup>th</sup> Annual Report 2012 - 2013***



## **COMPANY INFORMATION**

### **BOARD OF DIRECTORS**

**Viswanath Tadimety**  
Chairman

**Ramasubramanian Sankaran**  
Executive Director

**Steven Jeske**  
Director

**Sudhir Joshi**  
Director

**Rahul Ghosh**  
Director

**Prakash Kenjale**  
Director

**M. P. Bharucha**  
Director

**Dr. N.L. Sarda**  
Director

**Dr. Shreepad Karmalkar**  
Director

**COMPANY SECRETARY**  
Sateesh Wadagbalkar

**AUDITORS**  
Lodha & Co.,  
Chartered Accountants, Mumbai

**SOLICITORS & ADVOCATES**  
Bharucha & Partners, Mumbai

**BANKERS**  
ICICI Bank Limited  
State Bank of India

**REGISTRAR & SHARE TRANSFER AGENT**  
**(COMMON AGENCY)**  
Link Intime India Private Limited  
C-13, Pannalal Silk Mills Compound,  
L.B.S. Marg, Bhandup (W), Mumbai - 400 078.

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

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## LETTER TO FELLOW SHAREHOLDERS

Dear Fellow Shareholders,

I am pleased to provide you detailed information on the performance of our Company for the financial year April 2012 through March 2013. For the year ending March 31, 2013, we achieved consolidated revenue of ₹ 752 million and net profit of ₹ 88 million. This compares against a consolidated top line revenue and net profit from last fiscal year (ending March 2012) of ₹574 million and ₹48 million respectively, representing a substantial growth of 31% in top line and 83 % in net profit. On a standalone basis, our revenue has increased to ₹ 448 million from ₹ 313 million (ending March 2012) representing a 43% increase in revenue. On a standalone basis, our net profit was ₹ 112 million versus prior year's ₹ 51 million. All in all it was a good year.

### **Rapidly Changing Technology and Market conditions:**

We have considerable stabilization in the US and Global financial markets and client purchasing trends. IT business is cyclical in nature and business and projects are bound to come back, considering the very nature of obsolescence of IT infrastructure. However, technology trends are changing rapidly. I have elaborated more about this trend later further down in this letter.

We now have a successful India Business that has completed over 2 full years of operation. However, majority of the Company's revenues are generated in the United States and the North American geography continues to be our key market. The India diversification of revenues and the improving US business conditions will increase our overall growth.

CyberTech has now become a significant player in the area of mapping solutions and GeoSpatial Applications. This segment of information technology has become an attractive and growing part in an otherwise stagnant IT landscape of Enterprises and Public Government organizations. The strength of our Esri relationship has allowed us to harness this developing mapping market potential which we clearly see growing over the next several years. This is a positive trend in favor of CyberTech.

New implementations of complex ERP solutions such as SAP have come to a standstill and SAP is trying to refocus itself in newer areas such as Business Analytics, In-memory Computing, Application Life Cycle Management and Mobile Applications. While these cloud based trends are new areas for SAP growth, they hardly replace big ERP implementations. CyberTech has directed its focus on these newer SAP trends and build expertise in the emerging area.

Cost Reduction and Application Management Services continue to a key component of revenue for all the leading Indian IT service providers. CyberTech continues our Application Management and Support Services focus and a large percentage of our clients depend on CyberTech for their mission critical IT support.

All this trends prove that IT infrastructure and management is rapidly moving to Cloud based, pay by use services. CyberTech is positioning itself by migrating most of our clients to a more managed service oriented delivery platform. All Application Development services are moving from complex 'Waterfall' model to rapidly implementable 'Agile Scrum' approaches. In recognition of these ongoing market trends, CyberTech continues to evolve its Service Offerings, Client Management approach and Solution Delivery Platforms.

I encourage my fellow shareholders to visit our newly redesigned website [www.cybertech.com](http://www.cybertech.com) that clearly identifies our market alignment and client approach.

### **CyberTech Business operations:**

Our number one focus in the Company during the current fiscal year has been to strengthen our Technical Solutions and Business Approach in our core solution areas to adapt to cloud and pay by use models:

- **Geo2.0 and GeoShield Platforms:** To leverage the opportunity in the market in GeoSpatial areas, CyberTech has developed a rapidly evolving Geo2.0 platform. CyberTech simply believes the approach of developing new and complex GIS applications is dead. Using our Geo2.0 approach, Clients can implement new mapping and Geospatial applications at a fraction of the cost, reduce the time to market and eliminate risk. The Geo2.0 platform is an ongoing and continuously increasing set of CyberTech owned mapping components (Geo2.0 components), which are like building blocks. Using these Geo2.0 building blocks, like a Lego TM set, our clients can quickly assemble their solutions. Please see our microsite for Geo2.0, [www.appmaps.com](http://www.appmaps.com) that describes our platform.
- **CyberSupport and Application Management Platform:** CyberTech has been involved in Application Management and Support Services for over 8 years. Our initial focus has been to provide SAP post implementation and support services in the areas of SAP BASIS, ABAP programming and Functional Module Support. This year we have completely revamped our Support offering with a newly branded Application Management Platform, *CyberSupport*. Each client gets a unique support portal through which they interact with CyberTech. All support metrics and Service Level Agreements (SLAs) are clearly visible and clients can measure CyberTech performance quantitatively. This increases Client Satisfaction, provides transparency and reduces cost. We believe this platform is transformative for CyberTech as our future vision is to make this the Platform of Interaction for all clients. CyberSupport is a shared services platform that pulls down client cost and delivers dependable service with measurable performance metrics.
- **GeoCivic and India Business:** I am pleased to announce we launched GeoCivic, our Local Government eGovernance platform. GeoCivic has several pieces of mission critical software that Cities and Local Governments need, such as Property Tax assessment and collections, Emergency Management, Public Health and Election Results Management. India Sales team is performing well and we have won projects in Thane, Mumbai, Pune, Bangalore and Hyderabad cities. I am expecting rapid growth in GeoCivic and thank the leadership of Vishal Bargat and his team. I expect this trend to lead to increased India revenues.
- **SAP and S2 Platforms:** In alignment with SAP's focus around mobility and Cloud, we have created a major focus on SAP Next

Generation platforms. This includes Business Intelligence (Business Objects), SAP Mobility, Application Life Cycle Management and In Memory computing (HANA).

- **Client Focus:** I continue to invest my time personally with all clients, travel extensively, building client and executive relationships. Steve Jeske or I own executive relationships with almost all our clients in the US. CyberTech US continues to be our front-end providing sales and client partner management thereby driving deeper offshore focus in our Company.
- **Development of Company Intellectual Property:** We continue to make substantial progress in the area of IP Development and Solution building. We have won several more Public Safety, Police and Emergency Response implementations. Our GeoShield offering is being embraced by clients in US and India. We have also developed a SAP GIS Integration Architecture, CyberSERVE that has gained considerable market traction and excitement. I thank our friend and partner, Joseph Vanek Esq. of Vanek Vickers P.C. for pushing me down the trail of IP development. As an IP lawyer, Joe personally wrote our contracts and defined the approach we have to follow and helped us substantially.
- **Long Term Annuity Contracts:** I can state that 90% of the CyberTech offshore contracts are long term annuity oriented. This gives us visibility of the pipeline and has reduced revenue risk. It is our preference to build this book of annuity contracts over lumpy project business.

As I state in all my letters, my core value has been to do the right thing for CyberTech for long period of time. Our goal is to do well in good markets but to do better in bad markets while aiming for sustainable growth. CyberTech continues to focus on the long term objectives that I have laid out in all my prior communications:

- Continue to focus on off shore oriented annuity engagements
- Focus on business growth
- Manage our assets and Property to optimum returns

Steven Jeske and I are fiscally conservative and consider CyberTech from a long term business holding perspective. The Company's assets and liquidity, cash strength give us comfort. We now have Mr. Raman Subramanian as our Executive Director, who shares our vision and values.

I am pleased to inform you that your Directors have recommended a dividend of Re one per share (10% of face value) for the seventh year in a row since Steve and I took over the management of the company. We continue to enjoy the confidence of our customers resulting in opportunities that are adjacent in nature.

The focus on quality of services has ensured continued customer loyalty. Many of our customers have been working with us for a period ranging from 6 to 15 years. We have created a good client base that will allow us to have sustainable growth with deeper focus.

## Business Outlook

CyberTech will grow, focus and excel in mapping solutions, SAP implementation and CyberSupport Services. I am excited about our Public Safety and GeoSpatial Platform development that leverages our expertise as a core GIS player. For the next year, I expect our offshore revenues to trend upward while US will be win more recurring revenue projects.

The Company has last year structured around the Business Unit (BU) model. Each BU has 6 distinct functions of Solution Engineering, Marketing, Sales, Sales Support, Delivery and Engagement Management. All the 6 functions have its specific Key Result areas (KRAs). Heads of these SBUs will have full P&L responsibilities with direct management of Sales, Practice, and Delivery. The BU leaders are getting the rhythm and this model will give a structure to scale and grow the business.

For the upcoming year, I expect we will win several Public Safety (GeoShield) and Local Government (GeoCivic) projects. These are bundled software plus support services projects. I expect that our CyberSupport engagements will continue to grow for the upcoming year.

I am grateful to our Executive Director and the Sales, Delivery and Financial Leaders of the Company for their unstinted support to our efforts to enhance shareholder value. Our employees are our biggest asset and I wish to record my sincere appreciation to their dedicated efforts.

The Company adheres to high level of transparency and corporate governance. We have an eminent Board of Directors. I am grateful for their association with me and CyberTech.

I would like to thank my dedicated Board of Directors and our US Board representatives for their involvement, counsel and support. I thank Bansi S Mehta & Co, Chartered Accountants, Mr. Farook Irani Esq and Vispi Patel and Associates, Chartered Accountants for their valuable help. I thank Mr. M. P. Bharucha Esq. of Bharucha & Partners for his friendship, help and counsel. I am grateful to Shri. B. V. Goud, Special Advisor to the Chairman for his substantial help in many matters and for his tireless efforts to help our Company. I can't thank Mr. Goud enough.

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

With regards,

**Vish Tadimety**

Trevose, PA  
August 13, 2013



## NOTICE

NOTICE is hereby given that the Eighteenth Annual General Meeting of the members of CyberTech Systems and Software Limited will be held on Monday, September 30, 2013, at the Registered Office of the Company at CyberTech House, Plot No. B – 63/64/65, Road No. 21/34, J. B. Sawant Marg, MIDC, Wagle Estate, Thane (West) – 400 604 at 4 p.m. to transact the following business:-

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Company's audited Balance Sheet as at March 31, 2013 and the Statement of Profit and Loss for the year ended as on that date along with Schedules and the Reports of Directors and Auditors thereon.
2. To declare a dividend.
3. To appoint a Director in place of Mr. Sudhir Joshi who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Dr. Shreepad Karmalkar who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint M/s. Lodha & Co., Chartered Accountants, Mumbai, as Auditors from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

### SPECIAL BUSINESS:

6. To consider, and if thought fit, to pass, with or without modification(s), the following resolution as an ORDINARY RESOLUTION:  
"RESOLVED THAT Dr. N.L. Sarda, who was appointed as an Additional Director by the Board of Directors of the Company at its meeting held on September 28, 2012 and in respect of whom the Company has received a notice under Section 257 of the Companies Act, 1956, from a member of the Company proposing his candidature to the office of a Director, be and is hereby appointed as a Director liable to retire by rotation."

By **Order of the Board of Directors**

**Sateesh Wadagbalkar**  
Company Secretary

### Registered Office:

**CyberTech House**

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

**Date: August 13, 2013**

### NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. Proxies, in order to be effective, must be lodged with the Company not less than 48 hours before the time fixed for the commencement of the meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from September 23, 2013 to September 30, 2013 (both days inclusive).
4. Members are requested to:
  - a. Notify immediately, change of address, if any, to the Company's Registrar and Share Transfer Agent, Link Intime India Private Limited, C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai - 400 078, if they are holding shares in physical form and to update such details with their respective Depository Participants (DPs), if they are holding shares in electronic form.
  - b. Write to the Company for any information about accounts at least 10 days in advance of the Annual General Meeting and
  - c. Bring the copy of the Annual Report along with them and to produce the Attendance Slip at the entrance of the Meeting Hall.
5. Members who have yet not encashed their dividend warrants for previous years may approach the Company for issue of demand

draft in lieu of the said warrant since in terms of the amendments to Section 205A and Section 205C of the Companies (Amendment) Act, 1999, the amount of dividend remaining unclaimed for a period of seven years from the due date of payment is required to be transferred to the Investors Education and Protection Fund and no amount could be claimed thereafter.

6. Members/Beneficial Owners are requested to quote Folio No. /DP and Client ID Nos. as the case may be, in all correspondence with the Company.
7. **Members are requested to give their valuable suggestions for improvement of investor services and are also advised to quote their e-mail ID, telephone/facsimile number for prompt reply to their communications.**
8. The Company's Equity Shares are listed on The Stock Exchange, Mumbai and the National Stock Exchange of India Limited. The Company has paid the annual listing fees for the financial year 2013-2014 to these Stock Exchanges.

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

### Item No. 6-Appointment of Dr. N.L. Sarda as Director of the Company

Dr. N.L. Sarda was appointed as an Additional Director of the Company to further broad base the Board. His vast experience will be extremely useful to the Company.

Directors recommend the Resolution. Dr. N.L. Sarda may be deemed to be concerned or interested in so far as the matter concerns his appointment.

No other Director is concerned or interested in this resolution.

By **Order of the Board of Directors**

**Sateesh Wadagbalkar**  
Company Secretary

### Registered Office:

**CyberTech House**

**Plot No. B -63/64/65, Road No.21/34,**

**J. B. Sawant Marg, MIDC, Wagle Estate,**

**Thane (West) - 400 604**

**Date : August 13, 2013**

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

Details of Directors seeking re-appointment at the forthcoming Annual General Meeting as reflected under item No. 3 & 4 of the Notice.

Name of Director	Mr. Sudhir Joshi	Dr. Shreepad Karmalkar
Date of Birth	February 27, 1947	June 25, 1961
Date of Appointment	September 30, 2010	September 30, 2010
Qualifications	B.Sc.	PhD. in Electronic Engineering IIT Madras, B.Tech (EE), IIT Madras
Experience in specific Functional Areas	Forty Years	Twenty Three Years
Directorship in other Companies	1. CyberTech Systems and Software Inc, USA 2. Federal Bank Limited 3. National Securities Clearing Corporation Limited	Nil



Membership on Committees of other Companies	1. Audit Committee Member of National Securities Clearing Corporation Limited 2. Finance Committee Member and Investment Committee Member of Federal Bank Limited	Nil
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By **Order of the Board of Directors**

**Sateesh Wadagbalkar**  
Company Secretary

**Registered Office:**  
**CyberTech House**  
**Plot No.B – 63/64/65, Road No.21/34,**  
**J. B. Sawant Marg, MIDC, Wagle Estate,**  
**Thane (West) – 400 604**  
**Date: August 13, 2013**

## DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the Annual Report together with the Audited Statements of Accounts for the year ended March 31, 2013. This report includes both standalone results for the Company (CyberTech Systems and Software Ltd.) as well as consolidated results for the Company and its wholly owned subsidiary CyberTech Systems and Software Inc in the USA.

### FINANCIAL RESULTS

(₹ in million)

	Standalone		Consolidated	
	2012-13	2011-12	2012-13	2011-12
Gross Revenue	<b>447.93</b>	312.99	<b>752.14</b>	573.58
Profit before Interest & Depreciation	<b>178.79</b>	86.55	<b>164.36</b>	88.56
Interest	<b>0.69</b>	0.13	<b>0.69</b>	0.13
Depreciation	<b>16.19</b>	15.70	<b>25.52</b>	20.14
Profit/(Loss) before tax	<b>161.91</b>	70.72	<b>138.15</b>	68.29
Provision for tax	<b>50.07</b>	20.08	<b>50.07</b>	20.08
Profit/(Loss) after tax	<b>111.84</b>	50.64	<b>88.08</b>	48.21
Accumulated profit b/f from previous year	<b>126.79</b>	106.92	<b>55.82</b>	38.38
Provision for Dividend (includes dividend tax of ₹ 4.50 million)	<b>30.97</b>	30.77	<b>30.97</b>	30.77
Balance to be carried forward	<b>207.66</b>	126.79	<b>112.93</b>	55.82

### DIVIDEND

Your Directors have the pleasure of recommending a dividend of ₹ **1 per Equity** share for the year under review.

### REVIEW OF THE COMPANY'S STAND ALONE PERFORMANCE

The Company's primary focus continues to be delivering offshore development and support services in the Company's core technology areas. We are happy to inform that during the year the Company has made an effort to develop a product suite that is useful for all Municipalities requirements. This year saw a raise in Offshore and Domestic revenue compared to last year. During the year company received refunds from Income Tax Department that were contested in the Appellate Authorities by the Income Tax Department. Additionally, the Company continued to receive income from surplus office premises as rental income.

The Company's performance for the year on standalone basis is as follows:

- Total revenue during the year **2012-13** amounted to ₹ **447.93** million as compared to ₹ 312.99 million during the previous year. Total revenue is comprised of revenue from operations and other income, as follows.
  - Revenue from operations for the year ended **March 31, 2013** amounted to ₹ **340.11** million as against ₹ 256.79 million for the previous year. Operating revenue includes both software support and development activities. Revenue is increased by 32.45% due to increase in domestic business in India as well as Offshore business.
  - Other Income amounted to ₹ **107.82** million as against ₹ 56.19 million for the previous year.
- Profit before interest, depreciation and tax amounted to ₹ **178.79** million against ₹ 86.55 million in the previous year. Thus, Profit before interest, depreciation and tax increased by whopping 106.57%

### REVIEW OF CONSOLIDATED PERFORMANCE

On a Consolidated basis, the Company reported total revenue of ₹ **752.14** million during the year as compared to ₹ 573.58 million during the previous year.



# CyberTech Systems and Software Limited

Profit after tax for the year ended March 31, 2013 amounted to ₹ **88.07** million compared to ₹ 48.21 million in the previous year. Consolidated Net profit after Tax increased by 82.67%

CyberTech is on major growth path. The Company has grown its GIS and India Business substantially over the past few quarters. Several of the Application Maintenance projects are transformed into long term annuity projects. To allow the Company to continue this evolution, the top management of the Company has realigned the organization, established autonomy in business units and streamlined the business model.

The consolidated group continues to focus on delivering services to its identified market segments in its core technology areas. It continues to align its sales and delivery organizations to an offshore centric model as well as big foray in to Domestic GIS market.

## **CONSOLIDATED FINANCIAL STATEMENTS**

The consolidated financial statements of the Company, including its wholly owned US subsidiary are prepared in accordance with Accounting Standard 21 (Consolidation of Accounts) as prescribed by the Institute of Chartered Accountants of India and in compliance with the terms of the listing agreement with the Stock Exchanges. Together, these comprise part of the Annual Report and Accounts. The summarized consolidated results are given alongside the financial results of your Company and are discussed in the accompanying Management Discussion and Analysis Report.

### **WHOLLY OWNED SUBSIDIARY IN USA**

The Company owns a 100% interest in CyberTech Systems and Software Inc., USA (also known as "CSSI") incorporated on June 12, 2003 in the state of Delaware in the United States of America, whose results are consolidated herein.

CyberTech Systems and Software, Inc. (USA) reported an operating loss of ₹ **14.43** million before interest, depreciation and tax on revenue of ₹ **606.92** million. The net loss after tax aggregated to ₹ **24.14** million.

The Company is taking steps to increase the revenue of CyberTech Systems and Software, Inc. (USA) and the management is of the opinion that it will be able to wipe off the accumulated losses of CyberTech Systems and Software, Inc. (USA) gradually.

### **SUBSIDIARY IN THE MIDDLE EAST**

The Company is holding 55% interest in CyberTech Middle East W.L.L. (also known as "CME"), its joint venture company in Bahrain formed in August 2008 but due to the business differences between the partners of CyberTech Middle East WLL, Bahrain, the Company has filed a suit against its partner in the Country of Bahrain and hence CME is non operational. During the current year the company has filed an arbitration settlement in the London Courts.

However, to comply with the Indian Laws, the Company appointed M/s. Hemant Mahajan and Associates, Chartered Accountants of Thane as Auditor to Audit the Accounts of CyberTech Middle East W.L.L., Bahrain for the Financial Year 2012-13.

### **SUBSIDIARY COMPANIES' ACCOUNTS**

The statement required pursuant to section 212 of the Companies Act, 1956, containing details of the subsidiaries, CSSI and CME is attached hereto.

## **BUSINESS OPERATIONS OVERVIEW AND OUTLOOK**

The company has been exploring new areas which have the potential growth to Company's business and recently has come up with an application catering to various Municipal offices of Local Government.

CyberTech's India Business Unit, on Friday, 17th May 2013, announced the launch of GeoCivic™, its GIS-based application suite. GeoCivic™ is a comprehensive suite of GIS applications, designed to help Local Governments, leverage geographic intelligence for optimum civic planning and development.

The launch, held at the Trident, Nariman Point, Mumbai, was a success with the presence of many senior dignitaries from leading Local and State Governments across the country. Highly informative sessions delivered by CyberTech's leadership and product teams threw light on how Indian Local Governments can leverage GeoCivic™ to drive their mission-critical governance objectives.

The event also boasted of a very impressive list of guest speakers, including some of the very prominent Senior Indian Government Delegates and Global Technology Thought Leaders. The event marked the beginning of CyberTech's journey in India as a market-driven, IP-centric technology solutions provider. The company believes that this product suite will be major factor for the company's future business growth.

## EXPANSION ACTIVITIES

To augur the business growth the company is increasing the existing building by another floor and this will create additional capacity of around 25000 Sq. ft, the construction of which is expected to be completed by the end of December 2013.

## FIXED DEPOSITS

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

## GENERAL

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

## CORPORATE GOVERNANCE

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

## DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and the Company's Articles of Association, Dr. Shreepad Karmalkar, Mr. Sudhir Joshi and Mr. Rahul Ghosh Directors of the Company retire by rotation at the ensuing Annual General Meeting. Dr. Shreepad Karmalkar and Mr. Sudhir Joshi being eligible, offer themselves for re-appointment.

Mr. Rahul Ghosh has expressed his inability to offer himself for re-appointment in view of his other commitments.

The Board accepted the resignation of Dr. Tapan Kumar Mukhopadhyay, as Whole Time Director and Director of the Company w.e.f. August 13, 2013 because of his inability to continue as such due to his certain other preoccupations.

The Directors wish to place on record their appreciation of the services rendered by Mr. Rahul Ghosh and Dr. Tapan Kumar Mukhopadhyay during their tenure as the Directors of the Company.

During the year, Dr. N.L. Sarda was co-opted as an Additional Director with effect from September 28, 2012 who holds the position as such until the conclusion of the ensuing Annual General Meeting unless is reappointed by the members in the Annual General Meeting. Dr. N.L. Sarda has given the consent to act as Director if appointed by the members.

Necessary resolution for appointment of Dr. N.L. Sarda as Director has been included in the Notice convening the ensuing Annual General Meeting.

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

## DIRECTORS' RESPONSIBILITY STATEMENT

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

- i) in the preparation of the annual accounts for the financial year ended March 31, 2013, the applicable accounting standards were followed and proper explanation relating to material departures given.
- ii) the Directors selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period.
- iii) the Directors took proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities.
- iv) the Directors have prepared the annual accounts on a going concern basis.

## AUDITORS

M/s. Lodha & Co., Chartered Accountants, Mumbai, the Statutory Auditors, hold office until the conclusion of the ensuing Annual General Meeting and are recommended by the Board for re-appointment. The Company has received a certificate from the Auditors to the effect

that their re-appointment, if made, will be within the limits as stipulated under Section 224(1B) of the Companies Act, 1956. The members are requested to consider appointment of M/s. Lodha & Co. as Statutory Auditors at the ensuing Annual General Meeting.

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

#### **INFORMATION PURSUANT TO SECTION 217 OF THE COMPANIES ACT, 1956**

There were no employees in receipt of remuneration during the year requiring disclosure under section 217 (2A) of the Companies Act, 1956.

#### **ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

Information with respect to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed pursuant to Section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are set out in the Annexure to this Report.

#### **EMPLOYEES STOCK OPTION PLAN**

The position of ESOPs granted and exercised during the year is as under.

<b>Number of options granted:</b>	Nil
<b>Pricing formula:</b>	Not Applicable
<b>Options vested:</b>	A total of 361,250 options vested during the year.
<b>Options exercised and number of shares arising out of such exercise:</b>	No grantee exercised options during the year.
<b>Options lapsed:</b>	During the year 180,000 options lapsed out of options granted.
<b>Variations in terms of options:</b>	There was no variation in the terms of options.
<b>Money realized on exercise of options:</b>	Nil
<b>Total Number of options in force:</b>	Total number of 15,17,500 options were in force as on 31.3.2013.
<b>ESOPs granted to senior managerial personnel:</b>	For the year ended 31.3.2013, the Company did not grant any options to Senior Managerial Personnel.  Further for the year ended 31.3.2013, the Company did not grant more than 1% of the issued capital of the Company to any one person as of the date of grant.

#### **Method of Accounting**

The Company has elected to use the intrinsic value method to account for the compensation cost of stock options to employees of the Company, Intrinsic value is the amount by which the quoted market price of the underlying share as on the date of grant exceeds the exercise price of the option

Summary of the options outstanding under the Employees Stock Option Plan(ESOP):

	<b>As at March 31, 2013</b>		<b>As at March 31, 2012</b>	
	<b>Options</b>	<b>Weighted Average Exercise Price (₹)</b>	<b>Options</b>	<b>Weighted Average Exercise Price (₹)</b>
Options outstanding at beginning of the year	<b>1,697,500</b>	<b>15.88</b>	2,046,750	15.25
Granted during the year	<b>0</b>	<b>0</b>	0	0
Exercised during the year	<b>0</b>	<b>0</b>	0	0

Forfeited/lapsed during the year	<b>180,000</b>	<b>16.62</b>	349,250	12.17
Options outstanding at end of year	<b>1,517,500</b>	<b>15.57</b>	1,697,500	15.88
Vested options pending exercise	<b>1,030,000</b>	<b>15.29</b>	773,750	15.32

The following summarizes information about stock options outstanding:

### As at March 31, 2013

Range of Exercise price	Number of Shares arising out of options	Weighted average remaining life (Years)	Weighted average Exercise Price (₹)
₹ 7.50 to ₹ 15	<b>600,000</b>	<b>4</b>	<b>12.28</b>
₹ 15 to ₹ 23	<b>917,500</b>	<b>5</b>	<b>17.71</b>

As at March 31, 2012

Range of Exercise Price	Number of shares arising out of options	Weighted average remaining life (Years)	Weighted average Exercise Price (₹)
₹ 7.50 to ₹ 15	600,000	4	12.28
₹ 15 to ₹ 23	1,097,500	5	17.85

### Fair Value methodology for the option:

The fair value of options used to compute net income and earnings per equity share have been estimated on the dates of each grant within the range of ₹ 10 to ₹ 23 using the Black-Scholes pricing model. The Company estimated the volatility based on the historical share prices. The various assumptions considered in the pricing model for the options granted under ESOP are:

	As at March 31, 2013	As at March 31, 2012
Dividend yield	<b>0-10%</b>	0-10%
Expected volatility	<b>10%-20%</b>	10%-20%
Risk-free interest rate	<b>6.46% - 6.65%</b>	6.46% - 6.65%
Expected life of option	<b>0 – 7 yrs</b>	0 – 7 yrs

### Impact of Fair value method on Net Profit and EPS

Had the compensation cost for the Company's Stock Option Plan outstanding been determined based on the fair value approach, the Company's net profit income and earnings per share would have been, as indicated below:

	As at March 31, 2013 ₹	As at March 31, 2012 ₹
Profit attributable to Equity Shareholders	<b>111,841,136</b>	50,641,079
Less: Stock-based compensation expense determined under fair value based method	<b>207,513</b>	226,566
Net Profit	<b>111,633,623</b>	50,414,513
Basic and diluted earning per share (as reported)	<b>4.22</b>	1.90
Basic and diluted earning per share (under fair value method)	<b>4.22</b>	1.91



## **ACKNOWLEDGEMENT**

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

**For and on behalf of the Board of Directors**

**Vish Tadimety  
Chairman**

**Place : Trevoze. PA  
Date : August 13, 2013**

**ANNEXURE TO DIRECTORS' REPORT**

Information under Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosures of Particulars in the Report of the Board of Directors) Rules, 1988 and forming part of the Directors Report for the Year ended March 31, 2013:

**CONSERVATION OF ENERGY:**

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

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

**TECHNOLOGY ABSORPTION:**

e. Efforts made in technology absorption:	Not Applicable
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**FOREIGN EXCHANGE EARNINGS AND OUTGO:**

f. Activities relating to exports initiative taken to increase exports, development of new exports, development of new export market for products, services and export plans: Statement of expenditure/earnings incurred in Foreign Currency:	As detailed in the Report
Outgo (Dividend)	₹ 15,447,375/-
Outgo (Travel Expenses and other Expenses)	₹ 4,039,832/-
Income	₹ 302,718,712/-

**For and on behalf of the Board of Directors**

**Vish Tadimety  
Chairman**

**Place : Trevose. PA  
Date : August 13, 2013**

## MANAGEMENT DISCUSSION AND ANALYSIS

The financial statements have been prepared in compliance with the requirements of the Companies Act, 1956 and Generally Accepted Accounting Principles (GAAP) in India. Management of CyberTech Systems and Software Limited (the “Company”) accepts responsibility for the integrity and objectivity of these financial statements, as well as for the various estimates and judgments used in the preparation of the financial statements. These estimates and judgment have been made on a reasonable and prudent basis, so that the financial statements reflect the form and substance of transactions in true and fair manner, and showcase the state of affairs of the Company.

Results discussed herein include consolidated results for the Company, including its wholly owned US subsidiary.

### 1. INDUSTRY OVERVIEW

Changing economic and business conditions and rapid technological innovation are creating an increasingly competitive market environment that is driving corporations to transform their operations. Consumers of products and services are increasingly demanding accelerated delivery times and lower prices. Companies are focusing on their core competencies and are using outsourced technology service providers to adequately address these needs. The role of technology has evolved from supporting corporations to transforming them. There is an increasing need for highly skilled technology professionals in the markets in which we operate. At the same time, corporations are reluctant to expand their internal IT departments and increase costs. These factors have increased corporations’ reliance on their outsourced technology service providers and are expected to continue to drive future growth for outsourced technology services.

#### Business Overview

Indian Geospatial Market is on the verge of a humongous growth. We are witnessing huge growth spurts; companies are bagging projects that are valued more than the total annual revenue of Company. In the early 1990s, most Indian GIS companies relied on outsourced business from overseas market with US accounting for bulk of business followed by UK/Europe. Indian business used to account for less than 10 per cent of the overall business of large companies. However, trends are changing and so is the equation as business from the Indian market is increasing and what is noticeable is a fine geographic mix of business. It is a welcome change, albeit a bit slow.

#### 1.1 Overview

CyberTech is a leading provider of next-generation geospatial, networking and enterprise IT solutions. The Company delivers its services primarily to customers in the USA and India, it continues to focus on delivering its development and support projects on an offshore basis. As the bulk of its services are currently delivered in other countries, the Company remains subject to the effect of changes in the relative values of the respective country currencies.

Company’s success stems from its strong technology and business partnerships with industry leaders like ESRI, SAP, CISCO and MICROSOFT. Company works strategically with its partners to deliver mission critical solutions for leading businesses and government establishments across the globe.

The Company has also invested its capital in expanding its building premises, its wholly owned subsidiary in the United States and in its joint venture Company in the Middle East. The Company realizes rental income from its unutilized office premises

#### 1.2 Company Operations

CyberTech is a global information technology firm providing professional consulting services in the following practice areas:

- **SAP** - ERP application providers (including Implementation, Upgrade and Post Implementation Support Services)
- **Network Services** – based on Cisco Systems technologies (including planning and design services, public safety solutions, data center support and Cisco support services)
- **GIS** – Geo-database Creation, Municipal GIS Application Development, Enterprise GIS Application Development, mapping solution and Geospatial applications Integration, Implementation Post Implementation Support.
- **Custom Technologies** - including Microsoft, Oracle and IBM (Application Development, Integration and Maintenance)

The Company maintains Advanced Technology Centers (“ATC”) for the development and support of SAP, ESRI, Cisco and Microsoft technologies. Operations of the Company are completely integrated with its subsidiaries. The Company performs delivery management including offshore development and support, finance and administrative functions for the consolidated group. CyberTech Systems and Software, Inc. (USA) (also known as “CSSI”) is the wholly owned US subsidiary of the Company formed in June 2003. This Subsidiary focuses on customer facing and business development activities including pre-sales, marketing, sales and onsite project/program management activities. CSSI focus is to sell both on-site and offshore Information Technology services in the practice areas mentioned above.

The Company’s consolidated customer base can be classified into two groups:

## 1.2.1 Commercial Sector

This group includes all commercial organizations in the US and elsewhere. The Company targets the SME (small and medium sized businesses up to \$1B) market sector as well as Enterprise (Global) corporations. We believe this market holds significant potential for Company growth, largely driving offshore business for the Company. This marketplace represents approximately 85% of the Company's business.

## 1.2.2 Public Sector and Utility Companies

This includes national, state and local governments, non-profit entities and utility companies, primarily in the US. The Company has several large public sector and utility customers that comprise approximately 15 % of the Company's business. Although these services typically are not delivered in an offshore format, there is a significant market due to our experience and depth of expertise in areas useful to public sector and utility clients. Current market focus is to additionally deliver services in this segment in the domestic market as well as the Middle East.

## 1.3 STRATEGIC BUSINESS UNITS

CyberTech is on the cusp of major growth. The Company has grown its GIS and India Business substantially over the few quarters. Several of the Application Maintenance projects are transformed into long term annuity projects. To allow the Company to continue this evolution, the top management of the Company has realigned the organization, established autonomy in a few new business units and streamlined the business model.

The Company has recently structured around the Business Unit (BU) model. This has effect on our Sales and Delivery functions. Each BU has 6 distinct functions of Solution Engineering, Marketing, Sales, Sales Support, Delivery and Engagement Management. All the 6 functions have its specific KRAs.

This restructuring helped the Company to simplify its structure, define clear Roles and Responsibilities with well defined incentive plans. This restructuring is flexible enough to allow fine tuning but at the same time is strict enough to be implemented, respected and to stick with. New structure allows individuals to develop long term organizational vision, enjoy more autonomy and take responsibility of larger functions and risky undertakings.

The Company aims to form a standalone Strategic Business Unit (SBU), a business unit within the overall corporate identity which is distinguishable from other business because it serves a defined external market where management can conduct strategic planning in relation to products and markets. Heads of these SBUs will have full P&L responsibilities with direct management of Sales, Practice, and Delivery.

The new Organizational Development Structure will not only make CyberTech ready for its cusp growth but will indeed accelerate the rate of growth and help the Company to achieve newer horizons of success.

## 2 BRAND BUILDING

The Company undertook marketing initiatives to promote the CyberTech brand, and the brand promise of 'The Difference is Depth' to its clients. The Company participated in leading industry and business events around the world, reaffirming its commitment to delivering a complete brand and organizational experience. Apart from regular channels, CyberTech continues to invest in building the brand in the digital space using premium business and technology solutions through focused branded properties like 'www.appmaps.com'.

CyberTech continued to articulate the brand promise internally, using various channels and internal marketing assets and leveraged them to activate the brand amongst employees as well as other important stake holders.

"CyberTech's India Business Unit, on Friday, 17th May 2013, announced the launch of **GeoCivic™**, its GIS-based application suite. **GeoCivic™** is a comprehensive suite of GIS applications, designed to help Local Governments leverage geographic intelligence for optimum civic planning and development.

The launch, held at the **Trident, Nariman Point, Mumbai**, was a roaring success with the presence of many senior dignitaries from leading Local and State Governments across the country. Highly informative sessions delivered by CyberTech's leadership and product teams threw light on how Indian Local Governments can leverage GeoCivic™ to drive their mission-critical governance objectives.

The event also boasted of a very impressive list of guest speakers, including some of the very prominent Senior Indian Government Delegates and Global Technology Thought Leaders. The event, under the leadership of our CEO & Chairman, **Mr. Vish Tadimety** and Director & India BU Head, **Mr. Vishal Bargat**, marked the beginning of CyberTech's journey in India as a **market-driven, IP-centric technology solutions provider.** The Company believes that this product suite will be major factor for the Company's future business growth.



## TECHNOLOGY AND INNOVATION

CyberTech continues to invest in futuristic areas related to Geo-spatial, Networking, and Enterprise IT Solutions to make a difference to its customers and society. The Company's R&D center at Thane, India continuously strives to improve quality and efficiency of current offerings to customers and enable them prepare for future challenges.

Several of the R&D outcomes have been now moved to the mainstream business in form of solutions like 'GeoShield', 'GeoCivic' etc and in the form of frameworks e.g. 'Geo 2.0'.

### 2.1 INTELLECTUAL PROPERTY (IP)

Company continues to build an effective portfolio of Intellectual Property for future monetization, collaboration and risk mitigation. In fiscal 2012 Company focused on building and managing of IPs. Company emphasizes to its employees for collaborative mining of Intellectual Property. IPs gives multiple advantages like cost and time saving, technical edge, risk mitigation etc.

The Company continuously engages in customer focused innovation and launches new offerings that use technology to address its clients' business problems.

To augment the growth CyberTech has successfully converted its various IPs into various light apps and hosted on [www.appmaps.com](http://www.appmaps.com).

### 2.2 Products of the Company

**GeoCivic:** GeoCivic is an extremely powerful, visually intuitive, web-based, GIS solution to manage mission-critical aspects of city government. Government officials can be assured of a secure, seamless, and reliable environment while managing various departments of Municipal Corporation. GeoCivic solution can be used by government officials to manage and carry out various municipal processes from land use/water/road/fleet/encroachment management to monitoring health, drainage system, slums, and others including a portal exclusively for citizens.

**GeoShield:** With increasing natural disasters and terrorism incidents worldwide, the need of the hour is a robust, highly accurate Public Safety solution incorporating geographic context of activities to ensure optimum response and public safety measures.

**GeoServe Location intelligence solutions** integrate geographic information systems (GIS) with business intelligence (BI) systems to let you visualize the geospatial relationships within your business intelligence. The visual impact of location intelligence improves "speed to insight," making information - and business decisions - more timely. It gives your decision makers an edge - an information advantage. With GeoServe you not only get to know about where an asset is located, but where it is located in relation to other assets and that relationship is best presented visually.

**CyberServe:** Businesses have been using mapping applications to manage their assets spread across large geographical areas and ERP systems to manage transaction processes including financial, maintenance and work management. CyberTech introduces CyberServe, a web based mapping application that integrates with Business Application System or Enterprise Resource Planning (ERP) system in real time and provides the ability to query, view and process business transactions in the ERP system on the map. With CyberServe you can manage assets and streamline the workflows. Businesses can now easily integrate ERP systems like SAP, SalesForce, SAS, SharePoint, Microstrategy, BOBJ etc with our mapping applications.

## OPPORTUNITIES AND THREATS

### Opportunities:

Information Technology support services remains an increasingly competitive business environment. With the change in emerging technology areas, companies have become dependent on technology not only for day-to-day operations, but also for the use of technology as a strategic tool to enable them to re-engineer business processes, restructure operations, ensure regulatory compliances, etc. As systems continually become more complex, companies increasingly turn to external IT services provider to develop & implement new technologies & integrate them with existing applications in which companies have made considerable prior investments. Additionally, many companies continue to explore methods to reduce their cost of IT operations. This provides an opportunity for providers to support and integrate Company IT systems on an ongoing basis. The Indian IT Industry becomes a powerful tool used by companies to reduce their costs.

CyberTech has Alliance partnerships with several leading technology companies in its practice areas 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 as a priority on obtaining and providing offshore sourced services for its customers. 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 to continue to grow its share in existing clients. This has the supplemental effect of reducing the cost of overhead and 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-shoring services have slowed 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.

## 3. OUTLOOK AND RISKS

The Company maintains its focus on the Public sector and Enterprise SAP and GIS custom technology applications. It is expected that its strengthened relationships and alliances with partners such as SAP, Microsoft, IBM, and ESRI will continue to lead to business and revenue growth and increasing profitability with a continued focus on offshore revenue as and when the global market improves.

The Company continues its focus aligning its sales and delivery structure to an Indian Model.

The Company has not kept up with industry growth trends, primarily due to decreased spending in the US public sector and a corresponding decrease in activity at several of our large clients. Additionally, the absorption of new customers in the targeted SAP small/medium client base has not grown as expected. US market conditions continue to soften making it harder to locate new development opportunities. The Company intends to continue to grow its offshore business while exploring new opportunities domestically and in adjacent markets, including new ventures in the Middle East and India domestically. New opportunities will focus on leveraging our US public sector expertise and delivering our market solutions and products to these markets. Companies continue to look for specialized expertise and cost saving methods, both of which are provided by the Company.

The Company’s US subsidiary generated a loss after tax for the period. The Company has been impacted by the worldwide slowdown in discretionary IT spending which has impacted several of our targeted sectors. Due to this slowdown, our clients and many other companies are deferring the implementations of new systems and other discretionary spending. The new paradigm has become one of “reducing the total cost of ownership including the ongoing maintenance and support of IT systems”. This has especially affected the SAP market with a significant drop in the sale of new SAP licensed in the current year and lowered expectations of the ongoing cost of maintaining systems. The Company has focused its efforts on driving cost effective support offerings resulting in improved offshore revenue while realizing a detriment to onsite business. This coupled with reduced spending in the public sector and increased pressure by the government to reduce the number of foreign IT workers has negatively impacted growth in the United States. These actions do not forecast a quick turnaround in the US market. The Company continues to take all reasonable steps to reduce and optimize costs to improve profitability. Focus remains on expanding the benefits from our alliance partners and creating offshore opportunities where relationships are of a long term nature and recurring services can be provided at a lower cost.

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 “IP”



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 has been working to penetrate into the local Indian market apart from the operations established in Middle East earlier years.
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 the financial statements.
Liquidity Risks	Company's liquidity is dependent on timely collection of its accounts and continued growth in its business.	The Company believes it has adequate and dependable resources to meet its liquidity needs, including the ability to raise short term debt, and manage the ongoing mismatched cash flows inherent in a consulting business.
Delivery Risks	Our failure to complete the fixed-price, fixed timeframe contracts or transaction based pricing contracts within budget and on time may negatively affect our profitability	Sincere efforts are being made to deliver the projects on time and within budget.
Revenue Risks	One time projects revenue may be risky, if there are no continuous projects.	Efforts are being made to convert the projects to annuity contracts and also to win support contracts which have long tail. Company also has been developing Product initiative which will bring recurring revenue on successful implementation and market initiatives.
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 of very high standard.
Legal Dispute	The Litigation between the joint venture partners in the Court of Bahrain for a legal resolution may reduce short term opportunity in the Middle East Region	The Company is taking all the best possible ways for an early resolution through the Arbitrary Settlement.
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 tried to protect itself through various measures using available financial instruments from time to time.

#### 4. INTERNAL CONTROL SYSTEM & THEIR ADEQUACY

The Company strictly adheres to the internal control systems proven to be effective over the years. The internal audit team carries out

extensive audit on all operations at regular intervals. The Company implements the policies and procedures so as to safeguard the assets and interests of the Company.

The internal control systems are implemented with a view to achieve good ethical culture within the organization. The internal control systems would ensure that any vulnerability in the achievement of Company's objectives caused by risk factors whether internal or external, existing or emerging, is detected and reported in a timely manner and is meted out with appropriate corrective action. Strong internal controls minimize the risk of frauds by introducing effective checks and balances into the financial system.

## FINANCIAL CONDITION

Your Company had consolidated revenues of ₹ 75.21 crores and ₹ 8.81 crores net income in the current year. We expect to achieve significant growth in revenue and net income in the coming year.

The financial health of your Company indicates adequate and sustainable financial resources to meet with the needs of its business. During the year your Company has received a refund of ₹ 18.95 Cr including interest due to the favourable order from Income Tax Appellate Tribunal (ITAT) in respect of A.Y. 1997-98 to A.Y. 1999-00 wherein 10B exemption has been allowed for the Income from Business Operations. The Income Tax Department has filed an appeal against the said Order with the Hon'ble High Court, Mumbai. Accordingly, the Company has, however continued the provision of ₹ 12.19 crores made in earlier years. The Company has accounted for the aforesaid interest on income tax refund.

The Company and/or its wholly owned subsidiary have:

- Generated cash from its business
- Gained more productivity from its assets and properties
- Successfully resolved certain of its income tax liabilities and disputes
- Maintained its current dividend level

The Company believes it has adequate and dependable resources to meet its liquidity needs, including the ability to raise short term debt, and manage the ongoing mismatched cash flows inherent in a consulting business.

## 5 HUMAN RESOURCES

The Company not only provides a safe & healthy working environment to all its employees but also emphasizes to create an environment where performance is rewarded, individuals are respected and employees get opportunities to realize their potential. Our focus is to develop individual and team competencies and capabilities for driving operational excellence and building a high performance organization. Hence our Talent Management program is focused on Talent Acquisition, Development and Retention. The Company regularly reviews the performance of its employees and provides them job enrichment opportunities. The Company has a Stock Options Plan for eligible Employees / Directors. The Company has been successful in building a performance driven culture through a systematic performance appraisal process influencing total compensation

Group Headcount stands at 434 full time employees as at the end of the FY2013.

### CyberTech Management and Leadership Program

The Company holds regular programs to develop team spirit and to motivate its employees to perform better. The Company has launched a CyberTech Management Leadership Program.

The objective of the CML program is to select, recruit and groom young leaders and next generation managers of CyberTech. The program will:

- Provide CML managers opportunities for professional growth within CyberTech.
- Groom, develop and build CML alumni as key managers and leaders of the Company.
- Tap their energy and vast potential to support growth of CyberTech as an organization.
- Take Leadership roles in CyberTech's core IT business units, Financial, Real Estate and Human Capital management.

### Need for Multidisciplinary Education and Experience

CyberTech believes in a multi disciplinary education as a robust base for general management and leadership. All real life problems and opportunities require multi disciplinary education and management skills. Our management experience over the years has proved that leaders need to be experienced in at least two or three distinct disciplines (examples such as Management and Accounting; Law and Finance; Engineering and Management; Finance and HR).

## 6 CAUTIONARY STATEMENT

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



## **AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

**To,  
The Members,  
CyberTech Systems and Software Limited**

We have examined the compliance of the conditions of Corporate Governance by CyberTech Systems and Software Limited ('the Company'), for the year ended March 31, 2013 as stipulated in Clause 49 of the Listing Agreement of the Company with the Stock Exchanges in India.

The compliance of the conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to a review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of 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 and based on the representations given by the Management of the Company, we certify that the Company has complied in all material respects with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**For LODHA & CO.  
Chartered Accountants  
Firm Registration No. 301051E**

**A.M. Hariharan  
Partner  
Membership No. 38323**

**Mumbai  
August 13, 2013**

## REPORT ON CORPORATE GOVERNANCE

We are pleased to submit hereunder a detailed report on Corporate Governance as prescribed by Securities and Exchange Board of India (SEBI) under Clause 49 of the Listing Agreement.

We have implemented the mandatory provisions on Corporate Governance stipulated under revised Clause 49 of the Listing Agreement with the Stock Exchanges.

### Company's Philosophy on Code of Corporate Governance

Since inception, CyberTech has been adopting best practices in the area of corporate governance as a means of effectively protecting and enhancing shareholder value. CyberTech continues to focus on delivering predictable revenues with consequential profits. It would be our endeavour to nurture sustained growth with increased profit margins and enhanced shareholder value. CyberTech believes that transparency in operations strengthens investors' confidence. Keeping this in view, the responsibility for upholding high standards of corporate governance lies with the Board and the various Committees of the Board. Details of corporate governance practices followed in CyberTech are detailed hereunder:

### Board of Directors

Composition of the eight-member Board is as follows :

1	Mr. Viswanath Tadimety	Non-Executive Chairman and Promoter Director
2	Mr. Sudhir Joshi	Independent Director
3	Mr. Rahul Ghosh	Independent Director
4	Mr. Ramasubramanian Sankaran @	Executive Director
5	Mr. M.P. Bharucha	Non-Independent Director
6	Dr. Tapan Kumar Mukhopadhyay @@	Whole Time Director
7	Mr. Prakash Kenjale	Independent Director
8	Dr. Shreepad Karmalkar	Independent Director
9	Dr. N.L. Sarda #	Independent Director
10	Mr. Steven Jeske	Non-Executive and Non-Independent Director

@ Appointed as Executive Director w.e.f. 4th August, 2012

# Appointed as Additional Director w.e.f. 28th September, 2012

@@ Resigned as Whole Time Director and Director of the Company effectively from 13th August, 2013

During the period April 1, 2012 to March 31 2013, the Board met five times. Dates of the Board Meetings and attendance thereat are furnished hereunder:

Date of Board Meeting	May 28, 2012	August 4, 2012	September 28, 2012	November 8, 2012	February 14, 2013
Board Strength	8	8	9	10	10
No. of Directors Present	5	4	6	9	8

### 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. Viswanath Tadimety	5	4	Attended
Mr. Ramasubramanian Sankaran	5	3	Attended
Mr. Sudhir Joshi	5	5	Attended
Mr. Prakash Kenjale	5	2	Attended
Mr. Steven Jeske	5	3	Not Attended

Mr. Rahul Ghosh	5	5	Attended
Mr. M.P. Bharucha	5	3	Attended
Dr. Shreepad Karmalkar	5	1	Not Attended
Dr. Tapan Kumar Mukhopadhyay	5	4	Attended
Dr. N.L. Sarda	5	2	Not Attended

Mr. Viswanath Tadimety, Mr. Steven Jeske and Mr. Prakash Kenjale joined deliberations through video conferencing when not in station.

Data indicating number of other Directorships held by the Directors of the Company is given below:

Name of Director	PD/ID/WTD*	No. of other Directorship(s)**	Committee Membership***	Committee Chairmanship ***
Mr. Viswanath Tadimety	PD	–	–	–
Mr. Sudhir Joshi	ID	–	–	–
Mr. Prakash Kenjale	ID	1	1	–
Dr. Shreepad Karmalkar	ID	–	–	–
Mr. M.P. Bharucha	NED/NID	2	–	–
Dr. Tapan Kumar Mukhopadhyay	WTD	1	1	–
Mr. Steven Jeske	NED/NID	–	–	–
Mr. Rahul Ghosh	ID	–	–	–
Mr. Ramasubramanian Sankaran	ED	–	–	–
Dr. N.L. Sarda	ID	–	–	–

\*PD – Promoter Director, ID – Independent Director, WTD – Whole Time Director

NED/NID – Non-Executive/Non-Independent Director ED – Executive Director

\*\* Excludes directorships on Indian Private Limited Companies, foreign companies and Companies incorporated under Section 25 of the Companies Act, 1956

\*\*\*As per clause 49 I (c) Chairmanships/memberships for Audit Committee and/or Share Transfer Committee have been considered.

### Audit Committee

Composition of the Audit Committee

1	Mr. Sudhir Joshi	Chairman
2	Mr. Rahul Ghosh	Member
3	Dr. Shreepad Karmalkar	Member

Members of the Audit Committee, who are also on the Board, possess adequate knowledge in areas of corporate finance, accounts and company law.

The terms of reference of the Audit Committee, inter-alia, include:

- To oversee the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.

4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
  - a. Management discussion and analysis of financial condition and results of operations;
  - b. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956
  - c. Changes, if any, in accounting policies and practices and reasons for the same
  - d. Major accounting entries involving estimates based on the exercise of judgment by management
  - e. Significant adjustments made in the financial statements arising out of audit findings
  - f. Compliance with listing and other legal requirements relating to financial statements
  - g. Disclosure of any related party transactions
  - h. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice and the report submitted by the monitoring agency for monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Reviewing, with the management, performance of statutory and internal auditors and adequacy of the internal control systems.
8. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structural coverage and frequency of internal audit.
9. Discussion with internal auditors on any significant findings and follow up there on.
10. Reviewing the findings on matters of any internal investigations by the internal auditors where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the B oard.
11. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
12. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
13. To review the functioning of the Whistle Blower mechanism.
14. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.

Four Audit Committee Meetings were held during the Financial Year 2012-13 on May 28, 2012, August 4, 2012, November 8, 2012, and February 14, 2013. Attendance of the Directors was as follows :

Director	No. of Committee Meetings attended
Mr. Sudhir Joshi	4
Mr. Rahul Ghosh	4
Dr. Shreepad Karmalkar	1

## Remuneration Committee

Composition of the Remuneration Committee

1	Mr. Sudhir Joshi	Chairman
2	Mr. Viswanath Tadimety	Member
3	Dr. Shreepad Karmalkar	Member

4	Mr. M.P. Bharucha	Member
5	Mr. Rahul Ghosh	Member

The functions of the Remuneration Committee are:

- to recommend to the Board of Directors remuneration payable to Executive Director/Whole Time Director.
- to ensure that a proper system of compensation is in place.
- to devise and recommend to the Board, a Scheme for granting stock options to the employees of the Company and
- to frame suitable regulations for ensuring proper administration and superintendence of the Employees Stock Option Plan (ESOP) Scheme. The Committee submits its recommendation to the Board of Directors from time to time indicating details of eligible employees to whom options under ESOP would be granted.

During the year one meeting of Remuneration Committee was held on 4.8.2012. Attendance of the Directors was as follows :

1	Mr. Sudhir Joshi	Yes
2	Mr. Rahul Ghosh	Yes
3.	Mr. Viswanath Tadimety	Yes
4	Dr. Shreepad Karmalkar	Leave of absence
5	Mr. M.P. Bharucha	Leave of absence

#### Details of remuneration paid to the Directors and Whole Time Directors for Financial Year 2012- 2013

Name	Designation	Salary ₹	Commission ₹	Sitting fees ₹	Total (₹)	Notice Period
Mr. Viswanath Tadimety	Chairman	Nil	Nil	100,000	100,000	Nil
Mr. Prakash Kenjale	Director	Nil	Nil	40,000	40,000	Nil
Mr. Steven Jeske	Director	Nil	Nil	60,000	60,000	Nil
Mr. Sudhir Joshi	Director	Nil	Nil	220,000	220,000	Nil
Dr. Shreepad Karmalkar	Director	Nil	Nil	40,000	40,000	Nil
Mr. Rahul Ghosh	Director	Nil	Nil	220,000	220,000	Nil
Mr. M.P. Bharucha	Director	Nil	Nil	60,000	60,000	Nil
Dr. N.L. Sarda	Director	Nil	Nil	40,000	40,000	Nil
Dr. Tapan Kumar Mukhopadhyay	Whole Time Director	1,694,573	Nil	Nil	1,694,573	3 Months
Mr. Ramasubramanian Sankaran	Executive Director	1,600,537	Nil	Nil	1,600,537	3 Months

#### Shareholders' / Investors' Grievance Committee

Present composition of the Investors' Grievance Committee is as under:

1	Mr. Sudhir Joshi	Chairman
2	Mr. Steven Jeske	Member
3	Dr. Shreepad Karmalkar	Member
4	Dr. Tapan Kumar Mukhopadhyay	Member

5	Mr. Rahul Ghosh	Member
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One Investor Grievance Committee Meeting was held on 21.3.2013 during the Financial Year 2012-13 and attendance of the Directors thereat was as follows:

Director	Attended/Not Attended
Mr. Sudhir Joshi	Attended
Mr. Rahul Ghosh	Attended

The Board has authorized the Committee to approve the share transfers/transmissions, issue of duplicate share certificates, review the status of investors' grievances and redressal mechanism and to recommend measures to improve the level of investor services. Details of share transfers/ transmissions approved by the Committee are placed at the Board Meetings from time to time. The Board has delegated the authority to 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 Shareholders'/Investors' Grievance Committee.

The Company has one investor complaint outstanding as on date, which is sub-judice.

Compliance Officer: Mr. Sateesh Wadagbalkar, General Manger and Company Secretary.

Exclusive e-mail id for Investor Grievances : [cssl.investors@cybertech.com](mailto:cssl.investors@cybertech.com)

## General Body meetings

### i. Location and time, where last three AGMs were held

Particulars	FY 2009-2010	FY 2010-2011	FY 2011-2012
Date & Time	September 30, 2010 3 P.M.	September 30, 2011 3 P.M.	September 28, 2012 3 P.M.
Venue	'CyberTech House' Plot No. B-63/64/65 Road No.21/34, J.B.Sawant Marg, MIDC, Wagle Estate Thane (West) – 400 604	'CyberTech House' Plot No. B-63/64/65 Road No.21/34, J.B.Sawant Marg, MIDC, Wagle Estate Thane (West) – 400 604	'CyberTech House' Plot No. B-63/64/65 Road No.21/34, J.B.Sawant Marg, MIDC, Wagle Estate Thane (West) – 400 604

### ii. Brief details of special resolutions passed in the previous three AGMs

On September 30, 2010, the following one special resolution was passed.

(1) Increase of Authorised Capital

On September 30, 2011, no special resolution was passed.

On September 28, 2012, following special resolution was passed.

(1) Payment of Commission to any or all Non Executive Directors of the Company.

## Disclosures

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

### (2) Related Party Transactions

The details of all significant transactions with related parties are periodically placed before the Audit Committee. The Company has entered into related party transaction as set out in notes to accounts, which do not have potential conflict with the interests of company at large

### (3) Whistle Blower Policy

The Company has announced Whistle Blower policy to prohibit management from taking adverse action against employees disclosing in good faith alleged wrongful conduct on matters of public concern involving violation of any law, mismanagement or abuse of any authority.



#### **(4) Disclosure of Accounting Treatment**

The financial statements are prepared on accrual basis of accounting in accordance with Indian GAAP, provisions of the Companies Act, 1956(the Act) and comply in material aspects with the accounting standards, notified under section 211 (3C) of the Act read with the Companies(Accounting Standard) Rules, 2006.

#### **(5) Model Code of Conduct for Directors and Senior Management Team**

In line with the requirements under revised Clause 49 of the Listing Agreement, your Company has formulated model code of conduct for the Directors and members of senior management team. Your Company has obtained written declaration from the Directors and members of the senior management team affirming compliance with the Code of Conduct under revised Clause 49 of the Listing Agreement.

#### **(6) CEO/CFO Certification**

A certificate from Executive Director on the financial statements of the company was placed before the Board.

#### **(7) Directors Responsibility Statement**

The draft Directors Responsibility Statement signed by Whole time Director dated May 15, 2013 which is to be included in Board's Report for F.Y. 2012-13 was reviewed by Audit Committee in its meeting held on May 15, 2013.

#### **(8) Risk Management Policy**

The risk management practices adopted by the management ensure that management controls risks. During the F.Y. 2012-13 following two types of risks were reviewed by the Audit Committee/Board.

- a. Business Risk : On 15th May, 2013, Mr. Vishal Bargat and and Mr. Steven Jeske gave presentation to the Board and updated the members about the Company's business Road Maps drawn by these BU heads for F.Y.2013-14 and its associated risks.
- b. Forex Risk : The company has adopted Forex Policy for management of forex risk which is implemented.

#### **(9) Compliance with mandatory requirements of clause 49 of Listing Agreement**

The Company has complied with all mandatory requirements under Clause 49 of the Listing Agreement.

#### **(10) Means of Communication**

- a. Quarterly results are also put on the website of the Company.
- b. Newspapers wherein results normally published: Free Press Journal in English and Navashakti in Marathi.
- c. Any website, where displayed: [http:// india.cybertech.com](http://india.cybertech.com)
- d. Whether it also displays official news release : Yes
- e. The presentation made to institutional investors or to the analysts: No.

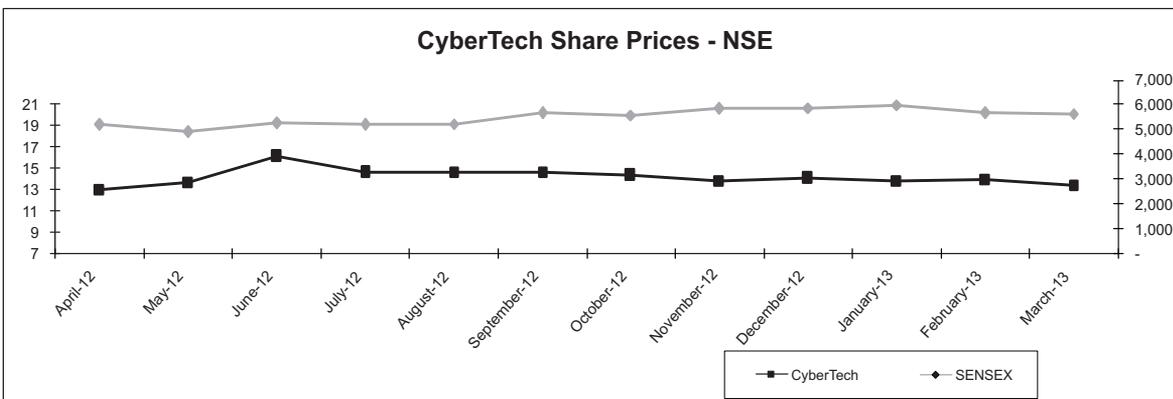
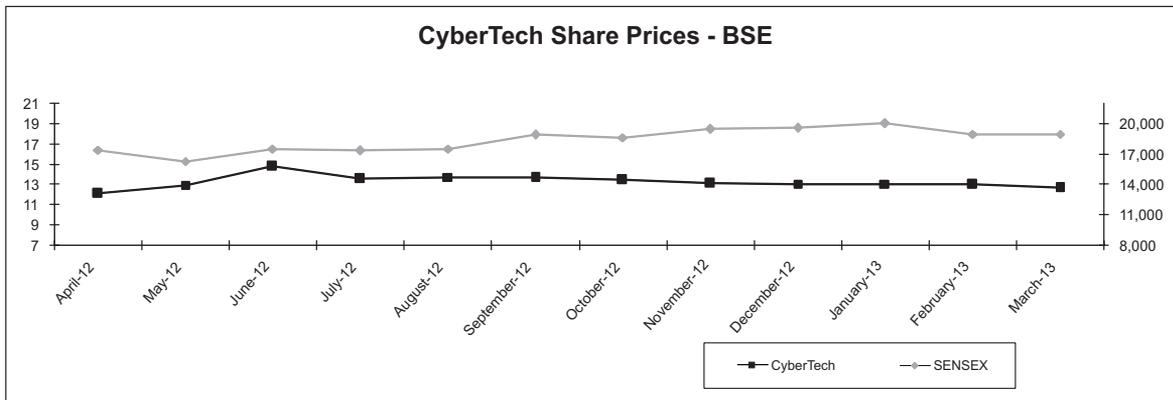
#### **(11) General Shareholder information:**

- a. AGM Date : Monday, September 30, 2013
- b. Time : 4 P.M.
- c. Venue : CyberTech House, MIDC, Wagle Industrial Estate, Thane-400 604
- d. Financial year : 2012-13
- e. Date of book closure : Monday, September 23, 2013 to Monday, September 30, 2013
- f. Dividend Payment : Dividend, if approved in the AGM shall be paid/credited on or after October 25, 2013

- g. Listing on Stock Exchanges and Code :  
 (i) The Bombay Stock Exchange Limited: 532173  
 (ii) National Stock Exchange of India Limited: CYBERTECH
- h. Market Price Data : High, Low during each month in last financial year

Month	BSE		NSE	
	High	Low	High	Low
April, 2012	12.85	11.05	12.75	11.30
May, 2012	13.45	11.35	13.75	11.30
June, 2012	14.85	10.61	15.30	11.70
July, 2012	15.35	13.00	16.00	13.00
August, 2012	15.00	12.60	14.95	12.55
September, 2012	15.80	13.00	16.00	13.00
October, 2012	15.70	12.75	14.90	12.65
November, 2012	16.30	12.50	14.50	12.25
December, 2012	14.25	12.85	14.15	12.50
January, 2013	15.68	12.66	15.60	12.15
February, 2013	14.99	12.48	14.65	12.10
March, 2013	14.99	11.50	15.40	11.00

Performance in comparison to Broad-based indices such as BSE Sensex, Nifty etc:





- i. Registrar and Transfer Agents : Link Intime India Private Limited (formerly known as Intime Spectrum Registry Limited) C 12, Pannalal Silk Mills Compound, L.B.S.Marg, Bhandup (West), Mumbai -400 078
- j. Share transfer system: Shares sent for transfer in physical form are generally registered and returned within a period of 15 days from the date of lodgement and Demat requests are normally confirmed within an average period of 15 days, provided the documents are clear and complete in all respect
- k. Distribution of shareholding :

## Categories of Shareholders as on March 31, 2013

Category	No. of shares held	%
Foreign Promoter Company	650000	2.46
Foreign Promoters	7840922	29.62
Non Nationalised Banks	18	0.00
Non Resident Indians	1283151	4.85
NON RESIDENT NON REPATRIABLE	91648	0.35
Relatives of Directors	108385	0.41
Relatives of Directors(NRI)	967070	3.65
FII's/FFI's	575	0.00
Bodies Corporate(Domestic)	519584	1.96
Foreign company	3900000	14.73
Trusts	1300445	4.91
Clearing members	100118	0.38
Insurance Companies/FI's	48133	0.18
Public	9661294	36.50
Total	26471343	100.00

## Distribution of Shareholding as on March 31, 2013

No. of shares held	Shareholders		Nominal value	
	Number	%age	₹	%age
1 – 5000	8873	79.21	13756160	5.20
5001 – 10000	1046	09.34	8822880	3.33
10001 – 20000	583	5.20	8698300	3.29
20001 – 30000	206	1.84	5229580	1.98
30001 – 40000	96	0.86	3401210	1.28
40001 – 50000	83	0.74	3900240	1.47
50001 – 100000	129	1.15	9261040	3.50
100001 & above	186	1.66	211644020	79.95
Total		100.00	264713430	100.00

- l. Dematerialization of shares and liquidity: As on March 31, 2013 20414523 Equity Shares ( 77.12% of total equity shares) of the Company are held by the Shareholders in dematerialized form
- m. Outstanding GDRs /ADRs /Warrants or any Convertible instruments, Conversion date and likely impact on equity : The Company has not issued any GDRs /ADRs/ or convertible instruments.
- n. Plant Locations : Not applicable
- o. Address for correspondence: CyberTech House, Plot No.B-63/64/65, Road No. 21/34, J.B. Sawant Marg, MIDC, Wagle Industrial Estate, Thane (West) – 400 604.

## AUDITORS' REPORT

### To The Members CyberTech Systems and Software Limited

We have audited the accompanying financial statements of **CyberTech Systems & Software Limited** ('the Company') which comprise the Balance Sheet as at 31st March, 2013, Statement of Profit and Loss and the Cash Flow Statement of the company for the year then ended, and a summary of the significant accounting policies and other explanatory information.

#### Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control 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.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013;
- (b) in the case of Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

#### Emphasis of Matter

Without qualifying, we draw attention to Note No. 36 of financial statements regarding the investment of ₹ 10.63 Crores made in CyberTech Systems & Software Inc., the Wholly Owned Subsidiary. Being a long term and strategic investment, there is a reasonable certainty that there will be no diminution in the value of the investment and therefore no provisioning has been considered necessary.

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c) the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d) in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Act; and
  - e) on the basis of written representations received from the directors as on 31st March, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

**For LODHA & CO.**  
**Chartered Accountants**  
**Firm Registration No. 301051E**

**A.M. Hariharan**  
**Partner**  
**Membership No. 38323**

**Place : Mumbai**  
**Date : May 15, 2013**

**ANNEXURE REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS' OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF CYBERTECH SYSTEMS AND SOFTWARE LIMITED**

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

1. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) All the fixed assets have been physically verified by the management at regular intervals, which is reasonable considering the size and nature of its business. No material discrepancies were noticed on such verification.
- c) No substantial part of the fixed assets has been disposed off during the year.
2. The Company being a service Company, primarily rendering information technology services, it does not hold any physical inventories. Accordingly, the provisions of clause 4(ii) of the Order are not applicable to the Company.
3. The Company has not granted / taken any loans, secured or unsecured, to/from companies, firms or other parties covered in the register maintained under Section 301 of the Act.
4. In our opinion, having regard to the explanations that some of the items are of special nature and suitable alternative source does not exist for obtaining comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets and the sales of services. During the course of our audit, we have not observed any continuing failure to correct major weakness in these internal control systems.
5. The contracts or arrangements that need to be entered into the register maintained under Section 301 of the Act have been so entered. In our opinion, having regards to our comment in para 4 above, the contracts for sale of services entered in the register maintained under section 301 of the Act and aggregating during the year to ₹ 500,000 or more in respect of each party have been made at price which are reasonable having regard to the prevailing market prices at the relevant time.
6. The Company has not accepted any deposits within the meaning of the Section 58A, 58AA or any other relevant provisions of the Act and the Rules framed thereunder. No order has been issued by the Company Law Board on the Company.
7. The Company has an adequate internal audit system commensurate with the size and nature of its business.
8. According to the information and explanation given to us, the Central Government has not prescribed the maintenance of cost records under Section 209(1) (d) of the Act in respect of service/activities carried out by the Company.
9. a) According to the records of the Company, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Investors Education and Protection Fund, Employees' State Insurance, Income Tax, Wealth Tax, Sales Tax, Service Tax, Customs Duty, Cess and other material statutory dues with the appropriate authorities, to the extent applicable. According to the information and explanations given to us, there are no undisputed amounts payable in respect of such statutory dues which have remained outstanding as at 31st March, 2013 for a period of six months from the date they became payable.
- b) According to the information and explanations given to us, there are no dues in respect of income-tax / customs duty / wealth-tax / sales tax / service tax / excise duty / cess, which have not been deposited on account of any dispute, *except as under:*

<b>Nature of dues</b>	<b>Period to which the amount relates</b>	<b>Amount (₹ in lacs)</b>	<b>Forum where dispute is pending</b>
Income Tax	A.Y 2007-08	302.24*	Commissioner (Appeal), Income Tax
Service Tax	A.Y. 1998-99 TO 2003-04	66.07	Assistant Commissioner, Service Tax

\* stay granted until the pendency/ disposal of appeal.

10. The company does not have accumulated losses as at 31st March, 2013 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
11. The Company has not defaulted in repayment of any loans from financial institutions or banks.
12. The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

13. In our opinion and according to the information and explanations given to us, the Company is not a nidhi / mutual benefit fund/ society. Accordingly, the provisions of clause 4(xiii) of the Order are not applicable to the Company.
14. The Company is not a dealer or trader in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Order are not applicable to the Company.
15. In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions. Accordingly, the provisions of clause 4(xv) of the Order are not applicable to the Company.
16. According to the information and explanations given to us, the Company has not availed any term loan during the year. Accordingly, the provisions of clause 4(xvi) of the Order are not applicable to the Company.
17. According to the information and explanations given to us and on an overall examination of the balance sheet and cash flow statement of the Company, in our opinion, the funds raised as short term basis by the Company have not been used for long term purposes.
18. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act. Accordingly, the provisions of clause 4(xviii) of the Order are not applicable to the Company.
19. The Company has not issued any debentures during the year. Accordingly, the provisions of clause 4(xix) of the Order are not applicable to the Company.
20. As the Company has not raised any money by way of public issue during the year. Accordingly, the provisions of clause 4(xx) of the Order are not applicable to the Company.
21. 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 on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

**For LODHA & CO.**  
**Chartered Accountants**  
**Firm Registration No. 301051E**

**A.M. Hariharan**  
**Partner**  
**Membership No. 38323**

**Place : Mumbai**  
**Date : May 15, 2013**



<b>BALANCE SHEET AS AT MARCH 31, 2013</b>			
	<b>NOTE NO.</b>	<b>As at March 31, 2013 ₹</b>	<b>As at March 31, 2012 ₹</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	<b>2</b>	<b>264,713,430</b>	264,713,430
Reserves and Surplus	<b>3</b>	<b>372,327,943</b>	291,456,955
<b>Non-Current Liabilities</b>			
Deferred Tax Liabilities (Net)	<b>4</b>	<b>17,384,630</b>	17,310,868
Other Long Term Liabilities	<b>5</b>	<b>13,084,050</b>	6,782,569
<b>Current Liabilities</b>			
Short Term Borrowings	<b>6</b>	<b>13,880,963</b>	-
Trade Payables	<b>7</b>	<b>49,707,682</b>	37,925,128
Other Current Liabilities	<b>8</b>	<b>13,701,318</b>	6,431,228
Short Term Provisions	<b>9</b>	<b>84,299,349</b>	43,472,484
		<b>829,099,365</b>	668,092,662
<b>ASSETS</b>			
<b>Non Current Assets</b>			
Fixed Assets	<b>10</b>		
Tangible Assets		<b>157,012,447</b>	160,029,015
Intangible Assets		<b>3,722,040</b>	4,146,514
Capital Work-in-Progress		<b>123,479,199</b>	56,520,624
Intangible Assets under Development		<b>15,056,022</b>	3,852,729
Non Current Investments	<b>11</b>	<b>106,303,250</b>	106,303,250
Long-Term Loans and Advances	<b>12</b>	<b>4,633,048</b>	4,236,274
<b>Current Assets</b>			
Current Investments	<b>13</b>	<b>227,357,511</b>	77,985,500
Trade Receivables	<b>14</b>	<b>146,575,844</b>	148,442,047
Cash and Bank Balances	<b>15</b>	<b>30,198,263</b>	36,327,354
Short-Term Loans and Advances	<b>16</b>	<b>6,793,431</b>	62,764,066
Other Current Assets	<b>17</b>	<b>7,968,310</b>	7,485,289
	<b>Total</b>	<b>829,099,365</b>	668,092,662

Significant Accounting Policies and Notes forming part of the Financial Statements

1 to 37

As per our attached report of even date

**For Lodha & Co.**  
Chartered Accountants

**A.M. Hariharan**  
Partner

Place : Mumbai  
Dated : May 15, 2013

**Sateesh Wadagbalkar**  
Company Secretary

Place : Thane  
Dated : May 15, 2013

**For and on behalf of the Board of Directors**

**S. Ramasubramanian**  
Executive Director

**Sudhir Joshi**  
Director

<b>STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2013</b>			
	<b>NOTE NO.</b>	<b>For the year ended March 31, 2013</b> ₹	<b>For the year ended March 31, 2012</b> ₹
<b>INCOME</b>			
Revenue from Operations	<b>18</b>	<b>340,110,535</b>	256,792,560
Other Income	<b>19</b>	<b>107,815,952</b>	56,193,237
		<b>447,926,487</b>	312,985,797
<b>EXPENDITURE</b>			
Cost of Hardware/Software package for service delivery		<b>1,372,392</b>	8,424,670
Employee Benefits Expense	<b>20</b>	<b>201,966,315</b>	155,939,242
Finance Costs	<b>21</b>	<b>690,570</b>	129,457
Depreciation and amortisation expense		<b>16,186,628</b>	15,699,957
Other Expenses	<b>22</b>	<b>65,795,684</b>	52,938,193
		<b>286,011,589</b>	233,131,519
<b>Profit before Exceptional items and tax</b>		<b>161,914,898</b>	79,854,278
Exceptional Items	<b>23</b>	-	9,135,258
<b>Profit before tax</b>		<b>161,914,898</b>	70,719,020
Provision for Tax			
Current Tax		<b>50,000,000</b>	21,900,000
Deferred Tax		<b>73,762</b>	(1,822,059)
<b>Profit for the year</b>		<b>111,841,136</b>	50,641,079
Basic and Diluted Earnings per Share of face value of ₹10 each	<b>24</b>	<b>4.22</b>	1.91

Significant Accounting Policies and Notes forming part of the Financial Statements

1 to 37

As per our attached report of even date  
**For Lodha & Co.**  
Chartered Accountants

**A. M. Hariharan**  
Partner

Place : Mumbai  
Dated : May 15, 2013

**Sateesh Wadagbalkar**  
Company Secretary

Place : Thane  
Dated : May 15, 2013

**For and on behalf of the Board of Directors**

**S. Ramasubramanian**  
Executive Director

**Sudhir Joshi**  
Director



<b>CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013</b>				
	<b>For the year ended March 31, 2013</b>		<b>For the year ended March 31, 2012</b>	
	₹	₹	₹	₹
<b>A. Cash flow from Operating activities</b>				
Net Profit/(Loss) before tax and exceptional items :		<b>161,914,898</b>		79,854,278
Adjustments for :				
Depreciation and amortisation expense	<b>16,186,628</b>		15,699,957	
Unrealised foreign exchange gain	<b>(1,299,007)</b>		(3,051,516)	
Loss on assets sold / discarded (Net)	<b>818,035</b>		391,664	
Interest income	<b>(76,659,343)</b>		(1,742,533)	
Interest expense	<b>690,570</b>		129,457	
Sundry Balances written back (Net)	<b>586,679</b>		(2,238,531)	
Profit on Sale of Current and Long Term Investments	<b>(9,704,683)</b>		(16,660,172)	
Provision for Doubtful Debts	<b>173,172</b>		551,500	
		<b>(69,207,949)</b>		(6,920,174)
<b>Operating profit before Working Capital changes</b>		<b>92,706,949</b>		72,934,104
Adjustments for :				
Decrease/(Increase) in Trade receivables	<b>92,706,949</b>		72,934,104	
Decrease/(Increase) in Other receivables	<b>55,071,797</b>		(1,559,176)	
Increase/(Decrease) in Trade & other payables	<b>79,002,966</b>		2,058,375	
		<b>137,066,801</b>		(66,124,173)
<b>Cash Generated from Operations</b>		<b>229,773,750</b>		6,809,931
Direct taxes (paid) / refund (Net)		<b>9,836,132</b>		(7,528,700)
<b>Net cash generated from / (used in) operating activities</b>	<b>(A)</b>	<b>239,609,882</b>		(718,769)
<b>B. Cash flow from investing activities</b>				
Purchase of fixed assets		<b>(91,906,446)</b>		(66,801,694)
Purchase of investments		<b>(332,823,989)</b>		(183,999,700)
Sale of fixed assets		<b>200,000</b>		396,500
Sale of investments		<b>193,156,661</b>		306,071,644
Deposits with Banks (Made)/Withdrawn		<b>9,289,053</b>		(24,195,543)
Interest received		<b>2,165,109</b>		873,681
<b>Net cash generated from / (used in) investing activities</b>	<b>(B)</b>	<b>(219,919,612)</b>		32,344,888

<b>CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013</b>				
	For the year ended March 31, 2013		For the year ended March 31, 2012	
	₹	₹	₹	₹
<b>C. Cash flow from financing activities :</b>				
Proceeds from Short Term Borrowings		<b>13,880,963</b>		-
Interest paid		<b>(690,570)</b>		(129,457)
Dividend and Dividend Tax paid thereon		<b>(30,134,302)</b>		(30,591,607)
<b>Net cash used in financing activities</b>	<b>(C)</b>	<b>(16,943,909)</b>		(30,721,064)
<b>Net Increase / (Decrease) in cash &amp; cash equivalents</b>	<b>(A+B+C)</b>	<b>2,746,361</b>		905,055
Cash & cash equivalents (Opening)		<b>4,661,984</b>		3,756,929
Cash & cash equivalents (Closing)		<b>7,408,345</b>		4,661,984
		<b>2,746,361</b>		905,055

**Note**

- 1 The above Cash Flow Statement has been prepared under the Indirect Method as set out in Accounting Standard (AS) 3 on "Cash Flow Statements" as prescribed by Companies (Accounting Standards) Rules, 2006.
- 2 The previous year's figures have been regrouped/rearranged wherever necessary.

The accompanying notes form an integral part of the financial statements

As per our attached report of even date

**For Lodha & Co.**

Chartered Accountants

**For and on behalf of the Board of Directors**

**A. M. Hariharan**

Partner

**Sateesh Wadagbalkar**

Company Secretary

**S. Ramasubramanian**

Executive Director

**Sudhir Joshi**

Director

Place : Mumbai  
Dated : May 15, 2013

Place : Thane  
Dated : May 15, 2013



## NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2013

### Company Overview

CyberTech Systems and Software Limited (referred to as the 'Company') is an Information Technology service provider, delivering its services to customers primarily in the USA, India and Japan with focus on several core software technology applications including SAP's Enterprise Suite and ESRI's Geospatial and Mapping solutions as well as Network Planning and Design and Custom Software Application Development. The Company continues to focus on delivering its development and support projects on an offshore basis.

### Note '1'

#### SIGNIFICANT ACCOUNTING POLICIES:

##### Basis of Accounting

The financial statements are prepared on the basis of the historical cost convention, in accordance with the applicable accounting standards prescribed by the Companies (Accounting Standards) Rules, 2006 (as amended) and relevant provisions of the Companies Act, 1956 and on the principle of a going concern. All expenses and income to the extent ascertainable with reasonable certainty are accounted for, on accrual basis.

##### Use of Estimates

The preparation of financial statements in conformity with Indian Generally Accepted Accounting Principles (GAAP) and Accounting Standards (AS) require the management to make estimates and assumptions that affect the reported income and expenses during the reported period and the reported amounts of assets and liabilities and disclosure of contingent liabilities as of the date of the financial statements. The recognition, measurement, classification or disclosure of an item or information in the financial statements has been made relying on these estimates. Actual results may differ from these estimates. Any revision to the accounting estimates is recognized prospectively.

##### Revenue Recognition

Income from software development, consulting and customer support services is recognized as and when rendered in accordance with the terms of the contract.

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

##### Unbilled Revenues

Revenue recognized over and above the billings on a customer is classified as "unbilled revenue".

##### Fixed Assets and Depreciation / Amortisation

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

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

Depreciation is provided on straight-line method at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956, except in respect of Computers and other related assets which are depreciated over estimated useful life of four years as against life of six years prescribed under the said Schedule.

Intangible assets are amortised over a period of four years.

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

##### Investments

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

## NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2013

### Foreign Currency Transactions

- a) Transactions in foreign currency are accounted at the exchange rates prevailing on the date of the transaction. Gains and losses arising out of subsequent fluctuations are accounted for on actual payment / realisation. Gains / losses, if any, at the year end on account of restatement of the monetary assets and liabilities, denominated in foreign currency are dealt with in the Statement of Profit and loss.
- b) In case of forward exchange contracts, the premium is amortised over the period of the contract. Any profit or loss arising on the cancellation or renewal of a forward exchange contract is recognized as income or expense for the year.

### Employee Benefits

- a) Short-term employee benefits :  
All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, performance incentives, etc. are recognized at actual amounts due in the period in which the employee renders the related service.
- b) Post-employment benefits:
  - i) Defined Contribution Plans:  
Payments made to defined contribution plans such as Provident Fund are charged as an expense as they fall due.
  - ii) Defined Benefit Plans:  
The cost of providing defined benefits i.e. gratuity is determined using the Projected Unit Credit Method with actuarial valuations carried out at the balance sheet date. Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss.
  - iii) Other long-term employee benefits :  
Other long-term employee benefits viz. leave entitlement are recognised as an expense in the Statement of Profit and Loss as and when they accrue. The Company determines the liability using the Projected Unit Credit Method with actuarial valuations carried out as at the balance sheet date. Actuarial gains and losses in respect of such benefits are charged to the Statement of Profit and Loss.

### Taxation

Provision for current income tax is made on the basis of the estimated taxable income for the current accounting year in accordance with the Income-tax Act, 1961.

Minimum Alternate Tax (MAT) credit is recognized and carried forward only if there is a reasonable certainty of it being set off against regular tax payable within the stipulated statutory period.

Deferred tax assets are recognized only to the extent that there is reasonable certainty that the assets can be realized in future. However, where there is unabsorbed depreciation or carry forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realization of such assets. Deferred tax assets are reviewed at each balance sheet date and written down or written up to reflect the amount that is reasonably / virtually certain, as the case may be, to be realized.

### Borrowing Costs

Borrowing costs directly attributable to acquisition, construction and production of qualifying assets are capitalised as a part of the cost of such asset upto the date of completion. Other borrowing costs are charged to the Statement of Profit and Loss.

### Provisions, Contingent Liabilities and Contingent Assets

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



**NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2013**

	As at March 31, 2013 ₹	As at March 31, 2012 ₹
<b>NOTE '2'</b>		
<b>SHARE CAPITAL</b>		
<b>Authorised</b> 36,000,000 (Previous Year 36,000,000) Equity Shares of ₹10 each	<b>360,000,000</b>	360,000,000
<b>Issued</b> 26,476,302 (Previous year 26,476,302) Equity Shares of ₹10 each	<b>264,763,020</b>	264,763,020
<b>Subscribed and fully paid</b> 26,471,343 (Previous year 26,471,343) Equity Shares of ₹10 each fully paid up	<b>264,713,430</b>	264,713,430
[Allotment of 4,959 (Previous year 4,959) bonus shares on 3,967 (Previous year 3,967) Equity shares is pending on account of non-establishment of beneficial ownership by NSDL.]		

**(a) Reconciliation of Share Capital**

	As at March 31, 2013		As at March 31, 2012	
	No of shares	Amount ₹	No of shares	Amount ₹
At beginning of the year	<b>26,476,302</b>	<b>264,763,020</b>	26,476,302	264,763,020
Addition during the year	-	-	-	-
Outstanding at the end of the year	<b>26,476,302</b>	<b>264,763,020</b>	26,476,302	264,763,020

**(b) Terms/rights attached to equity shares**

The Company has only one class of equity shares having a face value of Rs.10 per share. Each shareholder has a 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) Shareholders holding more than 5% of the equity shares :**

	As at March 31, 2013		As at March 31, 2012	
	No of shares	%	No of shares	%
Tadimety Viswanath	<b>5,457,589</b>	<b>20.62%</b>	5,421,768	20.48%
Steven Jeske	<b>2,383,333</b>	<b>9.00%</b>	2,383,333	9.00%
Indotech Holdings LLC	<b>3,900,000</b>	<b>14.73%</b>	3,900,000	14.73%

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. 25 in respect of ESOP.

<b>NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2013</b>		
	As at March 31, 2013 ₹	As at March 31, 2012 ₹
<b>NOTE '3'</b>		
<b>RESERVES AND SURPLUS</b>		
<b>Securities Premium Account</b>		
Balance as per last Balance Sheet	<b>164,667,032</b>	164,667,032
<b>Surplus</b>		
Opening Balance	<b>126,789,923</b>	106,914,501
Add: Profit for the year	<b>111,841,136</b>	50,641,079
Balance available for Appropriations	<b>238,631,059</b>	157,555,580
Less:		
Appropriations during the year		
Proposed Dividend	<b>26,471,343</b>	26,471,343
Tax on Dividend	<b>4,498,805</b>	4,294,314
Closing Balance	<b>30,970,148</b>	30,765,657
	<b>207,660,911</b>	126,789,923
	<b>372,327,943</b>	291,456,955
<b>NOTE '4'</b>		
<b>DEFERRED TAX LIABILITIES (NET)</b>		
Deferred Tax Assets:		
Expenses allowable on payments and others	<b>4,843,604</b>	4,301,664
Less Deferred Tax Liabilities:		
Difference between Book & Tax Depreciation	<b>22,228,234</b>	21,612,532
Net Deferred Tax Liabilities	<b>17,384,630</b>	17,310,868
<b>NOTE '5'</b>		
<b>OTHER LONG TERM LIABILITIES</b>		
Payables for Capital expenditure	-	775,919
Security Deposits Received	<b>13,084,050</b>	6,006,650
	<b>13,084,050</b>	6,782,569
<b>NOTE '6'</b>		
<b>SHORT TERM BORROWINGS</b>		
Secured		
Bank Overdraft	<b>13,880,963</b>	-
	<b>13,880,963</b>	-
<b>Details of Security and Applicable Interest Rate</b>		
Secured by exclusive charge by way of mortgage by deposit of title deeds of immovable property at Thane.		
Interest Rate 12.75% p.a. (Previous Year - NA)		



<b>NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2013</b>		
	As at March 31, 2013 ₹	As at March 31, 2012 ₹
<b>NOTE '7'</b>		
<b>TRADE PAYABLES</b>		
Trade Payables	<b>49,707,682</b>	37,925,128
	<b>49,707,682</b>	37,925,128
<p>The Company has not received any intimation from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence, disclosures, if any, relating to amounts unpaid as at the year end together with interest paid / payable as required under the said Act have not been given.</p>		
<b>NOTE '8'</b>		
<b>OTHER CURRENT LIABILITIES</b>		
Security Deposits Received	<b>1,583,600</b>	-
Statutory Dues	<b>3,440,167</b>	3,552,407
Payables for Capital expenditure	<b>6,291,808</b>	1,124,433
Other Income received in advance	<b>448,000</b>	448,000
Unclaimed Dividend*	<b>1,937,743</b>	1,306,388
<p>*There are no amounts due to be credited to Investor's Education and Protection Fund and outstanding as at Balance Sheet date</p>		
	<b>13,701,318</b>	6,431,228
<b>NOTE '9'</b>		
<b>SHORT TERM PROVISIONS</b>		
Provisions for		
Employees Benefits		
Leave Entitlements	<b>6,714,690</b>	5,506,780
Gratuity (Refer Note 27)	<b>8,213,971</b>	7,200,047
Income Tax	<b>38,400,540</b>	-
(Net of Advance Tax ₹ 204,942,825 (Previous year ₹ Nil))		
Proposed Dividend	<b>26,471,343</b>	26,471,343
Tax on Dividend	<b>4,498,805</b>	4,294,314
	<b>84,299,349</b>	43,472,484

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2013****NOTE '10'****FIXED ASSETS**

(Amount in ₹)

DESCRIPTION	GROSS BLOCK (At Cost)				DEPRECIATION/AMORTISATION				NET BLOCK	
	As at 1-Apr-12	Additions during the year	Deductions/ Adjustments during the year	As at 30-Mar-13	Upto 31-Mar-12	for the year	On Deductions/ Adjustments	Upto 31-Mar-13	As at 31-Mar-13	As at 31-Mar-12
<b>TANGIBLE ASSETS</b>										
Leasehold Land *	3,308,683	-	-	<b>3,308,683</b>	728,742	50,258	-	<b>779,000</b>	<b>2,529,683</b>	2,579,941
Buildings**	115,543,480	-	-	<b>115,543,480</b>	20,038,307	1,883,360	-	<b>21,921,667</b>	<b>93,621,813</b>	95,505,173
Plant and Equipment	49,872,605	239,838	2,300,465	<b>47,811,978</b>	26,969,779	2,361,891	1,540,587	<b>27,791,083</b>	<b>20,020,895</b>	22,902,826
Furniture and Fixtures	86,746,599	3,751,941	-	<b>90,498,540</b>	64,925,730	5,513,515	-	<b>70,439,245</b>	<b>20,059,295</b>	21,820,869
Vehicles	4,205,011	-	-	<b>4,205,011</b>	725,440	399,478	-	<b>1,124,918</b>	<b>3,080,093</b>	3,479,571
Office Equipment	6,217,493	900,859	-	<b>7,118,352</b>	2,635,249	312,879	-	<b>2,948,128</b>	<b>4,170,224</b>	3,582,244
Computers	47,723,265	7,655,062	4,351,314	<b>51,027,013</b>	37,564,874	4,043,894	4,112,199	<b>37,496,569</b>	<b>13,530,444</b>	10,158,391
<b>SUB TOTAL</b>	<b>313,617,136</b>	<b>12,547,700</b>	<b>6,651,779</b>	<b>319,513,057</b>	<b>153,588,121</b>	<b>14,565,275</b>	<b>5,652,786</b>	<b>162,500,610</b>	<b>157,012,447</b>	<b>160,029,015</b>
<b>INTANGIBLE ASSETS</b>										
Computer-Software	19,747,138	1,196,879	-	<b>20,944,017</b>	15,600,624	1,621,353	-	<b>17,221,977</b>	<b>3,722,040</b>	4,146,514
<b>SUB TOTAL</b>	<b>19,747,138</b>	<b>1,196,879</b>	-	<b>20,944,017</b>	<b>15,600,624</b>	<b>1,621,353</b>	-	<b>17,221,977</b>	<b>3,722,040</b>	<b>4,146,514</b>
<b>Current Year Total</b>	<b>333,364,274</b>	<b>13,744,579</b>	<b>6,651,779</b>	<b>340,457,074</b>	<b>169,188,745</b>	<b>16,186,628</b>	<b>5,652,786</b>	<b>179,722,587</b>	<b>160,734,487</b>	<b>164,175,529</b>
Previous Year Total	322,180,669	13,237,877	2,054,272	333,364,274	154,797,118	15,699,957	1,308,330	169,188,745	164,175,529	
<b>CAPITAL WORK IN PROGRESS</b>										
Building under construction									<b>123,479,199</b>	56,520,624
<b>SUB TOTAL</b>									<b>123,479,199</b>	<b>56,520,624</b>
<b>INTANGIBLE ASSETS UNDER DEVELOPMENT</b>										
Softwares under development									<b>15,056,022</b>	3,852,729
<b>SUB TOTAL</b>									<b>15,056,022</b>	<b>3,852,729</b>

\* Land was taken on lease for 66 years from September, 1997

\*\* Buildings include ₹ 4000 (previous year ₹4000) being the value of 80 (Previous Year 80) shares of ₹50 each in Acme Plaza Premises Co-operative Society Ltd.



<b>NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2013</b>		
	As at March 31, 2013 ₹	As at March 31, 2012 ₹
<p><b>NOTE '11'</b> <b>NON CURRENT INVESTMENTS</b> <b>(Long Term, Unquoted, Fully paid)</b> <b>Trade</b></p> <p><b>In Equity-Subsidiaries</b> CyberTech Systems and Software Inc.,USA-(Wholly Owned Subsidiary) <b>1,585,000</b> (1,585,000) common stocks of USD 0.01 each <b>750,000</b> (750,000) common stocks of USD 1.00 each</p> <p>CyberTech Middle East, W.L.L-Bahrain <b>634</b> (634) Shares of BHD 100 each Less: Provision for diminution in value of investments</p> <p>Aggregate amount of unquoted investments Aggregate provision for diminution in the value of investments</p>	<p><b>72,564,500</b> <b>33,738,750</b></p> <p><b>7,658,853</b> <b>(7,658,853)</b></p> <p><b>106,303,250</b></p> <p><b>113,962,103</b> <b>7,658,853</b></p>	<p>72,564,500 33,738,750</p> <p>7,658,853 (7,658,853)</p> <p>106,303,250</p> <p>113,962,103 7,658,853</p>
<p><b>NOTE '12'</b> <b>LONG-TERM LOANS AND ADVANCES</b> <b>(Unsecured, Considered good)</b></p> <p>Capital Advances Security Deposits</p>	<p><b>1,755,287</b> <b>2,877,761</b></p> <p><b>4,633,048</b></p>	<p>1,288,933 2,947,341</p> <p>4,236,274</p>
<p><b>NOTE '13'</b> <b>CURRENT INVESTMENTS</b> <b>(Unquoted, Fully paid)</b></p> <p><b>Mutual funds</b></p> <p>UTI Treasury Advantage Fund-Institutional Plan (Growth Option) <b>8,637.74</b> (Previous Year 6,103.62) units of ₹ 1000 each</p> <p>UTI Fixed Income Interval Fund -Quarterly Plan Series -III-Institutional Growth Plan <b>Nil</b> (Previous Year 1,125,172) units of ₹ 10 each</p> <p>UTI Money Market Fund - institutional growth plan <b>3,248.665</b> (Previous Year Nil) units of ₹ 10 each</p> <p>UTI Fixed Income Interval Fund-Annual Interval Plan Series - I - Institutional Growth Plan <b>3,278,710.024</b> (Previous Year Nil) units of ₹ 10 each</p> <p>UTI Floating Rate Fund-Short Term Plan (Growth Option) <b>4,943.471</b> (Previous Year Nil) units of ₹ 10 each</p> <p>SBI-Debt Fund Series-370 days-12-Growth <b>Nil</b> (Previous Year 1,100,000) units of ₹ 10 each</p>	<p><b>13,217,416</b></p> <p>-</p> <p><b>4,017,265</b></p> <p><b>50,000,000</b></p> <p><b>9,000,000</b></p> <p>-</p>	<p>8,851,561</p> <p>14,089,639</p> <p>-</p> <p>-</p> <p>-</p> <p>-</p> <p>11,000,000</p>

<b>NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2013</b>		
	As at March 31, 2013 ₹	As at March 31, 2012 ₹
SBI-Debt Fund Series-90days-57-Growth <b>Nil</b> (Previous Year 1,799,990) units of ₹ 10 each	-	17,999,900
SBI-Dynamic Bond Fund-Growth <b>1,473,806.750</b> (Previous Year Nil) units of ₹ 10 each	<b>20,000,000</b>	-
SBI-SHDF-Short Term-Institutional Plan-Growth <b>1,407,107.450</b> (Previous Year Nil) units of ₹10 each	<b>18,000,000</b>	-
SBI-Debt Fund Series-366 Days-8Growth <b>3,00,000</b> (Previous Year Nil) units of ₹10 each	<b>30,000,000</b>	-
TFLG Tata Floater Fund Growth <b>Nil</b> (Previous Year 343,366.51) units of ₹10 each	-	5,044,500
HDFC FMP 370D January 2012 (4) Growth Series XIX <b>Nil</b> (Previous Year 2,099,990) units of ₹ 10 each	-	20,999,900
HDFC Short Term Plan-Growth <b>2,448,285.931</b> (Previous Year Nil) units of ₹ 10 each	<b>53,122,830</b>	-
Birla Sunlife Mutual Dynamic Bond Fund-Retail Growth <b>1,601,187.013</b> (Previous Year Nil) units of ₹ 10 each	<b>30,000,000</b>	-
	<b>227,357,511</b>	77,985,500
Aggregate amount of unquoted investments	<b>227,357,511</b>	77,985,500
Aggregate repurchase price	<b>239,874,432</b>	81,771,212
<b>NOTE '14'</b>		
<b>TRADE RECEIVABLES</b>		
<b>(Unsecured)</b>		
<u>Outstanding for a period exceeding six months from the date they are due for payment</u>		
Considered good	<b>52,100</b>	-
Considered doubtful	<b>27,108,947</b>	40,484,388
	<b>27,161,049</b>	40,484,388
Less: Provision for doubtful debts	<b>(27,108,947)</b>	(40,484,388)
	<b>52,100</b>	-
<u>Other receivables</u>		
Considered good	<b>146,523,744</b>	148,442,047
	<b>146,523,744</b>	148,442,047
	<b>146,575,844</b>	148,442,047



<b>NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2013</b>		
	As at March 31, 2013 ₹	As at March 31, 2012 ₹
<b>NOTE '15'</b>		
<b>CASH AND BANK BALANCES</b>		
<b>I. Cash and Cash Equivalents</b>		
<b>a) Cash on hand</b>	<b>67,861</b>	121,849
<b>b) Bank Balances</b>		
- in Current Accounts	<b>7,340,484</b>	4,540,135
<b>II. Other Bank Balances</b>		
in Unpaid Dividend Accounts	<b>1,937,743</b>	1,306,388
in Fixed Deposit Accounts *		
- Deposits with maturity more than 3 months but less than 12 months (including interest accrued ₹ 411,131, Previous Year ₹ 868,852)	<b>20,599,705</b>	30,358,982
- Deposits with maturity more than 12 months (including interest accrued ₹ 2,470, Previous Year ₹ Nil)	<b>252,470</b>	-
	<b>30,198,263</b>	36,327,354
* Fixed Deposits with Banks held as margin money against the following:		
Forward Contracts	<b>7,799,758</b>	5,753,149
Guarantees issued to Municipal corporations	<b>12,638,816</b>	6,394,770
Letter of Credit	-	4,400,000
Overdraft facility	-	10,000,000
<b>NOTE '16'</b>		
<b>SHORT-TERM LOANS AND ADVANCES (Unsecured, Considered good)</b>		
Advance for Supply of goods and rendering of services	<b>1,418,740</b>	20,691
Loans and advances to employees	<b>901,794</b>	311,567
Deposits	<b>3,258,347</b>	1,715,640
Service Tax Receivable (Net)	<b>1,214,550</b>	1,213,271
Income Tax	-	59,502,897
[Net of Provisions of Nil; Previous year ₹ 194,595,365]		
	<b>6,793,431</b>	62,764,066
<b>NOTE '17'</b>		
<b>OTHER CURRENT ASSETS</b>		
Unbilled Revenue	<b>2,180,090</b>	3,186,912
Prepaid expenses	<b>4,974,788</b>	4,219,775
Other Receivable	<b>813,432</b>	78,602
	<b>7,968,310</b>	7,485,289
	<b>For the year ended March 31, 2013 ₹</b>	<b>For the year ended March 31, 2012 ₹</b>
<b>NOTE '18'</b>		
<b>REVENUE FROM OPERATIONS</b>		
From Sale of Services		
Software Development Services	<b>340,110,535</b>	256,792,560
	<b>340,110,535</b>	256,792,560

<b>NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2013</b>		
	<b>For the year ended March 31, 2013 ₹</b>	<b>For the year ended March 31, 2012 ₹</b>
<b>NOTE '19' OTHER INCOME</b>		
Interest on:		
Deposit With banks	<b>2,569,926</b>	1,366,117
Income tax Refund (Refer Note No.29(iv))	<b>74,080,633</b>	-
Others	<b>8,784</b>	376,416
	<b>76,659,343</b>	1,742,533
Profit on sale of Investments		
Current Investments	<b>5,880,029</b>	16,660,172
Long Term Investments	<b>3,824,654</b>	-
Exchange Gain	<b>7,593,625</b>	7,978,006
Rent Received	<b>18,475,903</b>	28,979,435
Less: Expenses directly attributable		
Rates and Taxes	<b>2,734,627</b>	1,554,490
Other Expenses	<b>2,578,308</b>	-
	<b>13,162,968</b>	27,424,945
Sundry Credit Balances written back (Net)	<b>586,679</b>	2,238,531
Miscellaneous Income	<b>108,654</b>	149,050
	<b>107,815,952</b>	56,193,237
<b>NOTE '20' EMPLOYEE BENEFITS EXPENSE</b>		
Salaries	<b>207,000,545</b>	152,244,791
Contribution to Provident and other funds	<b>639,970</b>	653,194
Staff Welfare expenses (including Group Medical Insurance of ₹ <b>1,953,109</b> ; Previous year ₹ 2,091,368)	<b>5,989,093</b>	5,224,168
	<b>213,629,608</b>	158,122,153
Less: Transferred to Capital Work in Progress		
Building under construction	<b>460,000</b>	
Software under development	<b>11,203,293</b>	
	<b>11,663,293</b>	2,182,911
	<b>201,966,315</b>	155,939,242
<b>NOTE '21' FINANCE COSTS</b>		
Interest on borrowings	<b>1,340,992</b>	129,457
Less: Transferred to Capital Work In Progress- Building under construction	<b>650,422</b>	-
	<b>690,570</b>	129,457



<b>NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2013</b>		
	<b>For the year ended March 31, 2013 ₹</b>	<b>For the year ended March 31, 2012 ₹</b>
<b>NOTE '22'</b>		
<b>OTHER EXPENSES</b>		
Travelling and Conveyance	<b>9,676,930</b>	6,341,068
Communication	<b>2,735,618</b>	3,634,176
Electricity Expenses	<b>7,453,149</b>	6,038,879
Insurance	<b>419,846</b>	314,106
Rates and Taxes	<b>1,436,461</b>	1,278,554
Professional fees	<b>14,308,542</b>	9,763,805
Software Programming, Consultancy and Development Charges	<b>6,970,815</b>	5,603,883
Rent	<b>1,326,741</b>	1,037,000
Auditors' Remuneration		
Audit Fees	<b>400,000</b>	375,000
Tax Audit Fees	<b>125,000</b>	125,000
Limited Review Fees	<b>225,000</b>	-
Certification and Other Services	<b>120,000</b>	156,137
Reimbursement of Expenses	<b>62,120</b>	28,810
	<b>932,120</b>	684,947
Repairs and Maintenance		
Buildings	<b>2,140,901</b>	1,642,180
Plant and Equipment	<b>5,366,360</b>	4,520,465
Others	<b>1,435,784</b>	1,557,344
	<b>8,943,045</b>	7,719,989
Security Expenses	<b>2,270,421</b>	1,988,534
Loss on assets sold/discarded (Net)	<b>818,035</b>	391,664
Bad Debts written off	<b>13,548,611</b>	-
Less: Provision for Doubtful Debts no longer required written back	<b>13,548,611</b>	-
	<b>173,172</b>	551,500
Provision for Doubtful debts	<b>8,330,789</b>	7,590,088
Miscellaneous Expenses	<b>65,795,684</b>	52,938,193
<b>NOTE '23'</b>		
<b>EXCEPTIONAL ITEMS</b>		
Provision for Diminution in the value of Investment	-	7,658,853
Provision for Doubtful debts Receivables	-	1,476,405
	-	9,135,258
Note: Exceptional items represent provision made for diminution in the value of investment made in CyberTech Middle East WLL, Bahrain (subsidiary) and provision for amount receivable from the said subsidiary.		

**NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2013**

**Note '24'**

**Earnings Per Share:**

	<b>For the year ended March 31, 2013</b>	For the year ended March 31, 2012
Profit attributable to the Shareholders	<b>111,841,136</b>	50,641,079
Weighted average number of Equity Shares outstanding during the year (Nos.)	<b>26,476,302</b>	26,476,302
Nominal Value of Equity Shares (₹)	<b>10</b>	10
Basic and Diluted Earnings Per Share (₹)	<b>4.22</b>	1.91

**Note '25'**

**Employees Stock Option Plan (ESOP)**

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 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.

	<b>As at March 31, 2013</b>	As at March 31, 2012
Face Value of Grant	<b>10</b>	10
<b>Grants:</b>		
Outstanding at the beginning	<b>1,697,500</b>	2,046,750
Add.: Granted during the year	<b>0</b>	0
Less: Exercised during the year	<b>0</b>	0
Less : Forfeited During the year	<b>180,000</b>	349,250
Outstanding as at the end	<b>1,517,500</b>	1,697,500
<b>Vested:</b>		
Outstanding at the beginning	<b>773,750</b>	774,250
Add: Vested during the year	<b>361,250</b>	348,750
Less : Exercised during the year	<b>0</b>	0
Less : Forfeited During the year	<b>105,000</b>	349,250
Outstanding as at the end	<b>1,030,000</b>	773,750
<b>Grants to the Whole Time Director</b>		
Outstanding at the beginning	<b>0</b>	50,000
Add.: Granted during the year	<b>0</b>	0
Less: Exercised during the year	<b>0</b>	0



**NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2013**

Less : Forfeited During the year	0	50,000
Outstanding as at the end	0	0
<b>Vested to the Whole Time Director</b>		
Outstanding at the beginning	0	50,000
Add: Vested during the year	0	0
Less : Exercised during the year	0	0
Less : Forfeited During the year	0	50,000
Outstanding as at the end	0	0
<b>Grants to Non Executive Director</b>		
Outstanding at the beginning	180,000	240,500
Add.: Granted during the year	0	0
Less: Exercised during the year	0	0
Less : Forfeited During the year	30,000	60,500
Outstanding as at the end	150,000	180,000
<b>Vested to non-executive director</b>		
Outstanding at the beginning	142,500	165,500
Add: Vested during the year	37,500	37,500
Less : Exercised during the year	0	0
Less : Forfeited During the year	30,000	60,500
Outstanding as at the end	150,000	142,500

The Company has elected to use the intrinsic value method to account for the compensation cost of stock options to employees of the Company, Intrinsic value is the amount by which the quoted market price of the underlying share as on the date of grant exceeds the exercise price of the option.

**Summary of the options outstanding under the Employees Stock Option Plan (ESOP):**

	As at March 31, 2013		As at March 31, 2012	
	Options	Weighted Average Exercise Price (₹)	Options	Weighted Average Exercise Price (₹)
Options outstanding at beginning of the year	1,697,500	15.88	2,046,750	15.25
Granted during the year	0	0	0	0
Exercised during the year	0	0	0	0
Forfeited/lapsed during the year	180,000	16.62	349,250	12.17
Options outstanding at end of year	1,517,500	15.57	1,697,500	15.88

**NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2013**

Vested options pending exercise	<b>1,030,000</b>	<b>15.29</b>	773,750	15.32
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The following summarizes information about stock options outstanding:

**As at March 31, 2013**

Range of Exercise Price	Number of shares arising out of options	Weighted average remaining life (Years)	Weighted average Exercise Price (₹)
₹7.50 to ₹15	<b>600,000</b>	<b>4</b>	<b>12.28</b>
₹15 to ₹23	<b>917,500</b>	<b>5</b>	<b>17.71</b>

As at March 31, 2012

Range of Exercise Price	Number of shares arising out of options	Weighted average remaining life (Years)	Weighted average Exercise Price (₹)
₹ 10 to ₹ 15	600,000	4	12.28
₹ 15 to ₹ 23	1,097,500	5	17.85

**Fair Value methodology for the option:**

The fair value of options used to compute net income and earnings per equity share have been estimated on the dates of each grant within the range of ₹ 10 to ₹ 23 using the Black-Scholes pricing model. The Company estimated the volatility based on the historical share prices. The various assumptions considered in the pricing model for the options granted under ESOP are:

	<b>March 31, 2013</b>	March 31, 2012
Dividend yield	<b>0-10%</b>	0-10%
Expected volatility	<b>10%-20%</b>	10%-20%
Risk-free interest rate	<b>6.46% - 6.65%</b>	6.46% - 6.65%
Expected life of option	<b>0 – 7 yrs</b>	0 – 7 yrs

**Impact of Fair value method on Net Profit and EPS**

Had the compensation cost for the Company's Stock Option Plan outstanding been determined based on the fair value approach, the Company's net profit income and earnings per share would have been, as indicated below:

	<b>For the Year ended March 31, 2013</b>	For the Year ended March 31, 2012
	₹	₹
Profit attributable to Equity Shareholders	<b>111,841,136</b>	50,641,079
Less: Stock-based compensation expense determined under fair value based method	<b>207,513</b>	226,566
Net Profit	<b>111,633,623</b>	50,414,513
Basic and diluted earnings per share (as reported)	<b>4.22</b>	1.90
Basic and diluted earnings per share (under fair value method)	<b>4.22</b>	1.91



**NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2013**

**Note '26'**

**RELATED PARTY DISCLOSURES**

Disclosure in respect of Related Parties pursuant to Accounting Standard 18 is as under:

A. List of Related Parties:

i) Parties where control exists:

Wholly Owned Subsidiary:

CyberTech Systems and Software Inc. USA (CSSI)

Subsidiary:

CyberTech Middle East W.L.L. (Bahrain) (CME)

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

**Key Management Personnel**

Dr. Tapan Kumar Mukhopadhyay - Wholetime Director

Mr. Ramasubramanian Sankaran-Executive Director (w.e.f.August 4, 2012)

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

(Amount in ₹)

Particulars	Related Party Transactions			
	CSSI	CME	Key Management Personnel	Total
Sale of Services	<b>302,718,712</b> (233,326,883)	- (-)	- (-)	<b>302,718,712</b> (233,326,883)
Expenses / Reimbursement of Expenses	<b>5,515,758</b> (910,231)	- (-)	<b># 3,295,110</b> # (1,288,051)	<b>8,810,868</b> (2,198,282)
Outstanding as at the year end				
Receivable	<b>130,593,613</b> (142,797,510)	- * (1,476,405)	- (-)	<b>130,593,613</b> (144,273,915)
Payable	- -	- (-)	<b>376,458</b> (95,003)	<b>376,458</b> (95,003)
Investment	<b>106,303,250</b> (106,303,250)	- * (7,658,853)	- (-)	<b>106,303,250</b> (113,962,103)

\* Provision has been made against the same.

**Disclosure in Respect of Material Related Party Transactions during the year**

# Payment to Key Managerial Personnel includes remuneration paid to

Dr. TapanKumar Mukhopadhyay ₹ **1,600,537** (Previous Year ₹ 1,288,051),

Mr. Ramasubramanian Sankaran ₹ **1,694,573** (Previous Year ₹ Nil ).

**Notes:**

- i) Related party relationship is as identified by the Company and relied upon by the Auditors.
- ii) a) No amounts have been written off/back and provided for in respect of the related parties during the year.  
b) In the previous year, in respect of Bahrain subsidiary, provision of ₹ 1,476,405 was made towards doubtful debts and provision of ₹ 7,658,853 was made towards diminution in the value of investment.
- iii) Figures in brackets represent previous year figures.

**NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2013****Note '27'****Defined Benefit Plans in respect of gratuity payable :**

The present value of obligation is determined based on Actuarial valuation using Projected Unit Credit Method.

**Change in present value of obligation**

(Amount in ₹)

		<b>As at March 31, 2013</b>	As at March 31, 2012
1	Present Value of Defined Benefit Obligation, beginning of the year	<b>7,200,047</b>	5,317,621
2	Interest Cost	<b>6,12,004</b>	438,704
3	Current Service Cost	<b>2,115,100</b>	1,553,459
4	Benefits paid during the year	<b>(235,253)</b>	(314,185)
5	Actuarial (gain)/loss on Defined Benefit Obligation	<b>(713,180)</b>	204,448
6	Present Value of Defined Benefit Obligation, end of the year	<b>8,978,718</b>	7,200,047

**Amounts recognized in the Balance Sheet**

(Amount in ₹)

		<b>As at March 31, 2013</b>	As at March 31, 2012
1	Present Value of Defined Benefit Obligation	<b>8,978,718</b>	7,200,047
2	Fair Value of plan assets	<b>764,747</b>	Nil
3	Net Liability recognized in the Balance Sheet	<b>8,213,971</b>	7,200,047

**Net gratuity cost for the year ended March 31, 2013**

(Amount in ₹)

		<b>For the year ended March 31, 2013</b>	For the year ended March 31, 2012
1	Current Service Cost	<b>2,115,100</b>	1,553,459
2	Interest Cost on obligation	<b>6,12,004</b>	438,704
3	Expected Return on plan assets	<b>Nil</b>	Nil
4	Net Actuarial (gain)/loss recognized for the year ending March 31, 2013	<b>(713,180)</b>	204,448
5	Net Gratuity Cost	<b>2,013,924</b>	2,196,611

**Assumptions used in accounting for the gratuity plan**

(Rate per annum)

		<b>As at March 31, 2013</b>	As at March 31, 2012
1	Discount Rate	<b>8.25%</b>	8.50%
2	Rate of Salary Escalation	<b>6.00%</b>	6.00%
3	Rate of return on plan assets	<b>8.70%</b>	Nil



**NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2013**

**Note '28'**

**Leases:**

- (A) The Company has leased its vacant premises under cancellable lease agreements, the income from which is recognised and disclosed as Rent received under Note No. 19.
- (B) 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. 22 under the head 'Rent'.

**Note '29'**

**Contingent Liabilities and commitments (to the extent not provided for) in respect of:**

**(A) Contingent Liabilities:**

- a) Disputed Income Tax Matters:
  - i) Regular demand under assessment (including interest upto the date of demand) ₹ **30,224,097** (Previous year ₹ 30,224,097)
  - ii) Penalties & Interest upto the date of demand of ₹ **58,198,919** (Previous year ₹ 58,198,919)
  - iii) Other Income Tax proceedings in respect of earlier years decided in favour of the Company by the Appellate Authorities against which the Department is in further appeals excluding further interest liability, if any : ₹ **3,769,968** (Previous year ₹ 3,769,968)
  - iv) During the current year, the Company has received Income Tax refunds of ₹ **189,474,293** (including interest amount of ₹ **74,080,633**) towards Assessment years 1997-98, 1998-99 and 1999-00, pursuant to the favourable Order from Income Tax Appellate Tribunal. The Income Tax Department has filed an appeal against the said Order with the Hon'ble High Court, Mumbai. Accordingly, the Company has, however continued the provision of ₹ 121,961,829 lakhs made in earlier years. The Company has accounted for the aforesaid interest on income tax refund.
- b) Disputed Service Tax Matters ₹ **6,607,614** (Previous year ₹ 6,607,614)

**(B) Commitments:**

Estimated amount (Net of Advances) of contracts remaining to be executed on capital account and not provided for: ₹ **80,517,630** (Previous year ₹ 19,839,521)

**Note '30'**

**Forward Exchange Contracts and Foreign Exchange Cover:**

- a) The Company uses Forward Exchange Contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and forecasted transactions. The Company does not enter in to any such instruments for trading or speculative purposes. The following are the contracts entered into by the Company and outstanding at the year end:

	<b>As at March 31, 2013</b>	As at March 31, 2012
Forward Exchange Contracts:		
No. of Contracts	<b>10</b>	8
Type	<b>Sell</b>	Sell
US \$ Equivalent	<b>1,250,000</b>	1,750,000
INR Equivalent	<b>68,658,000</b>	91,343,500

**NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2013**

b) The year-end foreign currency exposures that have not been hedged, are given below:

Particulars	As at March 31, 2013		As at March 31, 2012	
	USD	₹	USD	₹
Trade Receivables	1,173,216	62,684,931	1,021,947	52,354,345
Trade Payables	17,669	944,048	10,008	542,710

**Note '31'**

In the opinion of the Board, assets other than Fixed Assets and Non Current investments have a value on realisation in the ordinary course of business atleast equal to the amount at which they are stated. Provision for depreciation and all known liabilities is adequate and not in excess of the amount reasonably necessary.

**Note '32'**

The accounts of certain Banks, Trade Receivables, Trade Payables and Loans and Advances are subject to formal confirmation/reconciliation and adjustments, if any. The Management does not expect any material difference affecting the current year's financial statements.

	For the year ended March 31, 2013 ₹	For the year ended March 31, 2012 ₹
<b>Note '33'</b>		
Expenditure in foreign currency:		
Travel Expenses (Net of reimbursements)	737,417	728,043
Directors sitting fees	100,000	40,000
Professional Fees	3,202,415	2,101,859
Other Expenses	-	910,231
<b>Note '34'</b>		
Dividend remitted in foreign currency :	15,447,375	13,248,854
Dividend relating to the year	2011-12	2010-11
Number of Equity Shares held (Nos.)	15,447,375	13,248,854
Number of Non-Resident Shareholders (Nos.)	35	34
<b>Note '35'</b>		
Earnings in foreign exchange:		
Income from Sale of Software Development Services	302,718,712	233,326,883



**NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2013**

**Note '36'**

The Company has invested ₹106,303,250 in its Wholly Owned Subsidiary viz. CyberTech Systems and Software Inc.,USA, which has incurred losses incurred during the current year as well as in the previous year. However, being a long term and strategic investment, there is a reasonable certainty that there will be no diminution in the value of this investment, and therefore, no provisioning has been considered necessary.

**Note '37'**

Previous year's figures have been re-grouped/re-arranged, wherever necessary, to conform to the current year's classification/presentation.

Signatures to Notes 1 to 37

**For and on behalf of the Board of Directors**

**Sateesh Wadagbalkar**  
Company Secretary

**S. Ramasubramanian**  
Executive Director

**Sudhir Joshi**  
Director

Place : Thane  
Dated : May 15, 2013

## INDEPENDENT AUDITORS' REPORT

### To The Board of Directors

### CyberTech Systems and Software Limited

### Report on the Consolidated Financial Statements

We have audited the accompanying Consolidated Financial Statements of **CyberTech Systems & Software Limited** (the Parent Company) and its subsidiaries (collectively referred as "the Group") which comprises the Consolidated Balance Sheet as at March 31, 2013, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement of the group for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements. We conduct our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the group's preparation and fair presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2013;
- (b) in the case of Consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date; and
- (c) in the case of the Consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

**For LODHA & CO.**  
**Chartered Accountants**  
**Firm Registration No. 301051E**

**A.M. Hariharan**  
**Partner**  
**Membership No. 38323**

**Place : Mumbai**  
**Date : May 15, 2013**



<b>CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2013</b>			
	<b>NOTE NO.</b>	<b>As At March 31, 2013 ₹</b>	<b>As At March 31, 2012 ₹</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	<b>2</b>	<b>264,713,430</b>	264,713,430
Reserves and Surplus	<b>3</b>	<b>286,320,247</b>	225,737,714
<b>Non-Current Liabilities</b>			
Deferred Tax Liabilities (Net)	<b>4</b>	<b>17,384,630</b>	17,310,868
Other Long Term Liabilities	<b>5</b>	<b>13,084,050</b>	6,782,569
<b>Current Liabilities</b>			
Short Term Borrowings	<b>6</b>	<b>13,880,963</b>	-
Trade Payables	<b>7</b>	<b>81,284,656</b>	78,198,014
Other Current Liabilities	<b>8</b>	<b>14,981,893</b>	8,427,303
Short Term Provisions	<b>9</b>	<b>84,299,349</b>	43,472,484
	<b>TOTAL</b>	<b>775,949,218</b>	644,642,382
<b>ASSETS</b>			
<b>Non Current Assets</b>			
Fixed Assets	<b>10</b>		
Tangible Assets		<b>158,503,420</b>	161,869,916
Intangible Assets		<b>18,092,581</b>	10,102,001
Capital Work-in-Progress		<b>123,479,199</b>	56,520,624
Intangible Assets under Development		<b>15,056,022</b>	19,193,207
Long-Term Loans and Advances	<b>11</b>	<b>5,098,105</b>	4,466,041
<b>Current Assets</b>			
Current Investments	<b>12</b>	<b>227,357,511</b>	77,985,500
Trade Receivables	<b>13</b>	<b>125,927,135</b>	102,620,673
Cash and Bank Balances	<b>14</b>	<b>79,754,563</b>	111,498,260
Short-Term Loans and Advances	<b>15</b>	<b>7,202,548</b>	73,818,220
Other Current Assets	<b>16</b>	<b>15,478,134</b>	26,567,940
	<b>TOTAL</b>	<b>775,949,218</b>	644,642,382

Significant Accounting Policies and Notes forming part of the Consolidated Financial Statements

1 to 32

As per our attached report of even date

**For Lodha & Co.**  
Chartered Accountants

**A.M. Hariharan**  
Partner

Place : Mumbai  
Dated : May 15, 2013

**For and on behalf of the Board of Directors**

**Sateesh Wadagbalkar**  
Company Secretary

Place : Thane  
Dated : May 15, 2013

**S. Ramasubramanian**  
Executive Director

**Sudhir Joshi**  
Director

<b>CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2013</b>			
	<b>NOTE NO.</b>	<b>For the year ended March 31, 2013</b> ₹	<b>For the year ended March 31, 2012</b> ₹
<b>INCOME</b>			
Revenue from Operations	<b>17</b>	<b>644,094,777</b>	516,084,088
Other Income	<b>18</b>	<b>108,040,301</b>	57,494,122
		<b>752,135,078</b>	573,578,210
<b>EXPENDITURE</b>			
Cost of Hardware/Software package for service delivery		<b>1,372,392</b>	8,424,670
Employee Benefits Expense	<b>19</b>	<b>413,657,780</b>	338,371,272
Finance Costs	<b>20</b>	<b>690,570</b>	129,457
Depreciation and Amortisation Expense		<b>25,519,957</b>	20,139,045
Other Expenses	<b>21</b>	<b>172,746,088</b>	135,986,067
		<b>613,986,787</b>	503,050,511
<b>Profit before Exceptional items and tax</b>		<b>138,148,292</b>	70,527,699
Exceptional Items	<b>22</b>	-	2,237,768
<b>Profit before tax</b>		<b>138,148,292</b>	68,289,931
Provision for Tax			
Current Tax		<b>50,000,000</b>	21,900,000
Deferred Tax		<b>73,762</b>	(1,822,059)
Income tax adjustments for earlier years		-	-
<b>Profit for the year</b>		<b>88,074,530</b>	48,211,990
Basic and Diluted Earnings per Share of face value of ₹10 each		<b>3.33</b>	1.82

Significant Accounting Policies and Notes forming part of the Consolidated Financial Statements

1 to 32

As per our attached report of even date

**For Lodha & Co.**  
Chartered Accountants

**A.M. Hariharan**  
Partner

Place : Mumbai  
Dated : May 15, 2013

**Sateesh Wadagbalkar**  
Company Secretary

Place : Thane  
Dated : May 15, 2013

**For and on behalf of the Board of Directors**

**S. Ramasubramanian**  
Executive Director

**Sudhir Joshi**  
Director



**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013**

	For the year ended March 31, 2013		For the year ended March 31, 2012	
	₹	₹	₹	₹
<b>A. Cash flow from Operating activities</b>				
Net Profit/(Loss) before tax and exceptional items :		<b>138,148,292</b>		70,527,699
Adjustments for :				
Depreciation and amortisation expense	<b>25,519,957</b>		20,139,045	
Loss on assets sold / discarded (Net)	<b>818,035</b>		391,664	
Interest income	<b>(76,883,692)</b>		(2,038,632)	
Interest expense	<b>690,570</b>		129,457	
Sundry Balances written back (Net)	<b>(586,679)</b>		(3,243,317)	
Profit on Sale of Current and Long Term Investments	<b>(9,704,683)</b>		(16,660,172)	
Provision for Doubtful Debts	<b>254,892</b>		551,500	
		<b>(59,891,600)</b>		(730,455)
<b>Operating profit before Working Capital changes</b>		<b>78,256,692</b>		69,797,244
Adjustments for :				
Decrease/(Increase) in Trade receivables	<b>(23,561,354)</b>		(15,892,702)	
Decrease/(Increase) in Other receivables	<b>77,058,747</b>		(13,897,705)	
Increase/(Decrease) in Trade & other payables	<b>74,571,118</b>		6,372,791	
		<b>128,068,511</b>		(23,417,616)
<b>Cash Generated from Operations</b>		<b>206,325,203</b>		46,379,628
Direct taxes (paid) / refund (Net)		<b>9,836,132</b>		(7,528,700)
<b>Net cash generated from / (used in) operating activities</b>	<b>(A)</b>	<b>216,161,335</b>		38,850,928
<b>B. Cash flow from investing activities</b>				
Purchase of fixed assets		<b>(93,465,384)</b>		(82,584,880)
Purchase of investments		<b>(332,823,989)</b>		(183,999,700)
Sale of fixed assets		<b>200,000</b>		396,500
Sale of investments		<b>193,156,661</b>		306,071,644
Deposits made with Banks		<b>(1,831,626)</b>		(24,195,543)
Interest received		<b>2,393,834</b>		1,169,780
<b>Net cash generated from / (used in) investing activities</b>	<b>(B)</b>	<b>(232,370,504)</b>		16,857,801

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013**

	For the year ended March 31,2013		For the year ended March 31,2012	
	₹	₹	₹	₹
<b>C. Cash flow from financing activities :</b>				
Proceeds from Short Term Borrowings		13,880,963		-
Interest paid		(690,570)		(129,457)
Dividend and Dividend Tax paid thereon		(30,970,148)		(30,591,607)
<b>Net cash used in financing activities</b>	<b>(C)</b>	<b>(17,779,755)</b>		<b>(30,721,064)</b>
<b>Net Increase / (Decrease) in cash &amp; cash equivalents</b>	<b>(A+B+C)</b>	<b>(33,988,924)</b>		<b>24,987,665</b>
Cash & cash equivalents (Opening)		79,832,890		54,845,225
Cash & cash equivalents (Closing)		45,843,966		79,832,890
		<b>(33,988,924)</b>		<b>24,987,665</b>

Note

- The above Cash Flow Statement has been prepared under the Indirect Method as set out in Accounting Standard (AS) 3 on "Cash Flow Statements" as prescribed by Companies (Accounting Standards) Rules, 2006.
- The previous year's figures have been regrouped/rearranged wherever necessary.

The accompanying notes form an integral part of the financial statements

As per our attached report of even date

**For Lodha & Co.**  
Chartered Accountants

**For and on behalf of the Board of Directors**

**A. M. Hariharan**  
Partner

**Sateesh Wadagbalkar**  
Company Secretary

**S. Ramasubramanian**  
Executive Director

**Sudhir Joshi**  
Director

Place : Mumbai  
Dated : May 15, 2013

Place : Thane  
Dated : May 15, 2013



**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2013**

**Note '1'**

**SIGNIFICANT ACCOUNTING POLICIES:**

**A. Basis of preparation:**

The Consolidated Financial Statements are prepared in accordance with Accounting Standard 21 "Consolidated Financial Statements" prescribed by the Companies (Accounting Standards) Rules, 2006 (*as amended*).

**B. Principles of Consolidation:**

(a) The Consolidated Financial Statements (CFS) comprise the financial statements of the holding Company, CyberTech Systems and Software Limited and its subsidiaries which are as under:

Name of the Subsidiary Company	Country of Incorporation	Proportion of ownership interest
CyberTech Systems and Software Inc. (CSSI)	U.S.A.	100 %
CyberTech Middle East WLL, Bahrain (CME) #	Kingdom of Bahrain	55 %

# Refer Note No. 22

(b) The Consolidated Financial Statements have been prepared using uniform accounting policies, in accordance with the generally accepted accounting policies except for amortization of Goodwill in the books of its wholly owned subsidiary where the Goodwill has been amortised over a period of 10 years as against the policy adopted by Holding company to amortise Goodwill over a period of 5 years.

(c) The effect of intra group transactions between CyberTech Systems and Software Limited and its subsidiaries are eliminated in consolidation.

(d) For significant accounting policies followed, refer Note no.1 of the Holding Company's audited financial statements.

**C. Foreign Subsidiaries :**

CyberTech Systems and Software Inc., USA has been considered as non-integral and accordingly 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.

	<b>As at March 31, 2013 ₹</b>	<b>As at March 31, 2012 ₹</b>
<b>NOTE '2'</b>		
<b>SHARE CAPITAL</b>		
<b>Authorised</b> 36,000,000 (Previous Year 36,000,000) Equity Shares of ₹10 each	<b>360,000,000</b>	360,000,000
<b>Issued</b> 26,476,302 (Previous year 26,476,302) Equity Shares of ₹10 each	<b>264,763,020</b>	264,763,020
<b>Subscribed and fully paid</b> 26,471,343 (Previous year 26,471,343) Equity Shares of ₹10 each fully paid up	<b>264,713,430</b>	264,713,430
[Allotment of 4,959 (Previous year 4,959) bonus shares on 3,967 (Previous year 3,967) Equity shares is pending on account of non-establishment of beneficial ownership by NSDL.]		

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2013****(a) Reconciliation of Share Capital**

	As at March 31, 2013		As at March 31, 2012	
	No of shares	Amount ₹	No of shares	Amount ₹
At beginning of the year	26,476,302	264,763,020	26,476,302	264,763,020
Addition during the year	-	-	-	-
Outstanding at the end of the year	26,476,302	264,763,020	26,476,302	264,763,020

**(b) Terms/rights attached to equity shares**

The Company has issued one class of equity shares having a face value of ₹10 per share. 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 paidup 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) Shareholders holding more than 5% of the equity shares :**

	As at March 31, 2013		As at March 31, 2012	
	No of shares	%	No of shares	%
Tadimety Viswanath	5,457,589	20.62%	5,421,768	20.48%
Steven Jeske	2,383,333	9.00%	2,383,333	9.00%
Indotech Holdings LLC	3,900,000	14.73%	3,900,000	14.73%

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. 24 in respect of ESOP



<b>NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2013</b>		
	As at March 31, 2013 ₹	As at March 31, 2012 ₹
<b>NOTE '3' RESERVES AND SURPLUS</b>		
<b>Securities Premium Account</b> Balance as per last Balance Sheet	<b>164,667,032</b>	164,667,032
<b>Surplus</b>		
Opening Balance	<b>55,831,208</b>	38,384,875
Add: Profit for the year	<b>88,074,530</b>	48,211,990
Balance available for Appropriations	<b>143,905,738</b>	86,596,865
<u>Less : Appropriations during the year</u>		
Proposed Dividend	<b>26,471,343</b>	26,471,343
Dividend Distribution Tax	<b>4,498,805</b>	4,294,314
Closing Balance	<b>112,935,590</b>	55,831,208
<b>Foreign Currency Translation Reserve</b>		
Opening Balance	<b>5,239,474</b>	(1,276,918)
Add: Foreign Currency Translation during the year	<b>3,478,151</b>	6,516,392
Closing Balance	<b>8,717,625</b>	5,239,474
	<b>286,320,247</b>	225,737,714
<b>NOTE '4' DEFERRED TAX LIABILITIES</b>		
Deferred Tax Assets Expenses allowable on payments and others	<b>4,843,604</b>	4,301,664
Deferred Tax Liabilities Difference between book & tax depreciation	<b>22,228,234</b>	21,612,532
Net Deferred Tax Liabilities	<b>17,384,630</b>	17,310,868
<b>NOTE '5' OTHER LONG TERM LIABILITIES</b>		
Payables for Capital expenditure	-	775,919
Security Deposits Received	<b>13,084,050</b>	6,006,650
	<b>13,084,050</b>	6,782,569
<b>NOTE '6' SHORT TERM BORROWINGS</b>		
Secured Bank Overdraft	<b>13,880,963</b>	-
	<b>13,880,963</b>	-
<b>Details of Security and Applicable Interest Rate</b> Secured by exclusive charge by way of mortgage by deposit of title deeds of immovable property at Thane. Interest Rate 12.75% p.a. (Previous Year - NA)		

<b>NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2013</b>		
	As at March 31, 2013 ₹	As at March 31, 2012 ₹
<b>NOTE '7'</b>		
<b>TRADE PAYABLES</b>		
Trade Payables	<b>81,284,656</b>	78,198,014
	<b>81,284,656</b>	78,198,014
<p>The Company has not received any intimation from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence, disclosures, if any, relating to amounts unpaid as at the year end together with interest paid / payable as required under the said Act have not been given.</p>		
<b>NOTE '8'</b>		
<b>OTHER CURRENT LIABILITIES</b>		
Security Deposits Received	<b>1,583,600</b>	-
Statutory Dues	<b>3,440,167</b>	3,552,407
Payables for Capital expenditure	<b>6,291,808</b>	1,124,433
Other Income received in advance	<b>448,000</b>	448,000
Advance from Customers	-	1,011,793
Others	<b>1,280,575</b>	984,282
Unclaimed Dividend*	<b>1,937,743</b>	1,306,388
*There is no amount due to be credited to the fund and outstanding as at Balance Sheet date		
	<b>14,981,893</b>	8,427,303
<b>NOTE '9'</b>		
<b>SHORT TERM PROVISIONS</b>		
Provisions for		
Employees Benefit :		
Leave Entitlements	<b>6,714,690</b>	5,506,780
Gratuity (Refer Note No. 26)	<b>8,213,971</b>	7,200,047
Income Tax	<b>38,400,540</b>	-
(Net of Advance Tax ₹ 204,942,825 Previous Year ₹ Nil)		
Proposed Dividend	<b>26,471,343</b>	26,471,343
Tax on Dividend	<b>4,498,805</b>	4,294,314
	<b>84,299,349</b>	43,472,484



**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2013**

**NOTE '10'**

**FIXED ASSETS**

		GROSS BLOCK ( At Cost )				DEPRECIATION/AMORTISATION				NET BLOCK	
DESCRIPTION	As at 1-Apr-12	Additions during the year	Deductions/ Adjustments during the year	As at 31-Mar-13	Upto 31-Mar-12	for the year	On Deductions/ Adjustments	Upto 31-Mar-13	As at 31-Mar-13	As at 31-Mar-12	
<b>TANGIBLE ASSETS</b>											
Leasehold Land *	3,308,683	-	-	<b>3,308,683</b>	728,742	50,258	-	<b>779,000</b>	<b>2,529,683</b>	2,579,941	
Buildings **	115,543,480	-	-	<b>115,543,480</b>	20,038,307	1,883,360	-	<b>21,921,667</b>	<b>93,621,813</b>	95,505,173	
Plant and Equipment	50,392,591	239,838	2,269,203	<b>48,363,226</b>	27,099,032	2,472,485	1,533,161	<b>28,038,356</b>	<b>20,324,870</b>	23,293,559	
Furniture & Fixtures	89,308,099	3,751,941	(154,000)	<b>93,214,040</b>	67,487,230	5,513,515	(154,000)	<b>73,154,745</b>	<b>20,059,295</b>	21,820,869	
Vehicles	4,205,011	-	-	<b>4,205,011</b>	725,440	399,478	-	<b>1,124,918</b>	<b>3,080,093</b>	3,479,571	
Office Equipment	6,217,493	900,859	-	<b>7,118,352</b>	2,635,249	312,879	-	<b>2,948,128</b>	<b>4,170,224</b>	3,582,244	
Computers	51,879,043	8,200,063	4,101,465	<b>55,977,641</b>	40,270,484	4,942,052	3,952,337	<b>41,260,199</b>	<b>14,717,442</b>	11,608,559	
<b>SUB TOTAL</b>	<b>320,854,400</b>	<b>13,092,701</b>	<b>6,216,668</b>	<b>327,730,433</b>	<b>158,984,484</b>	<b>15,574,027</b>	<b>5,331,498</b>	<b>169,227,013</b>	<b>158,503,420</b>	<b>161,869,916</b>	
<b>INTANGIBLE ASSETS</b>											
Computer-Software	19,747,138	17,551,293	-	<b>37,298,431</b>	15,600,624	5,723,947	13,991	<b>21,310,580</b>	<b>15,987,852</b>	4,146,514	
Goodwill	39,703,250	-	(2,387,000)	<b>42,090,250</b>	33,747,763	4,221,982	(2,015,776)	<b>39,985,521</b>	<b>2,104,729</b>	5,955,487	
<b>SUB TOTAL</b>	<b>59,450,388</b>	<b>17,551,293</b>	<b>(2,387,000)</b>	<b>79,388,681</b>	<b>49,348,387</b>	<b>9,945,929</b>	<b>(2,001,785)</b>	<b>61,296,101</b>	<b>18,092,581</b>	<b>10,102,001</b>	
<b>Current Year Total</b>	<b>380,304,788</b>	<b>30,643,994</b>	<b>3,829,668</b>	<b>407,119,114</b>	<b>208,332,871</b>	<b>25,519,956</b>	<b>3,329,713</b>	<b>230,523,114</b>	<b>176,596,001</b>	<b>171,971,917</b>	
Previous Year Total	366,186,386	14,878,928	7,60,526	380,304,788	185,425,553	20,139,045	(2,768,273)	208,332,871	171,971,917		
<b>CAPITAL WORK IN PROGRESS</b>											
Building under construction									<b>123,479,199</b>	56,520,624	
<b>SUB TOTAL</b>									<b>123,479,199</b>	<b>56,520,624</b>	
<b>INTANGIBLE ASSETS UNDER DEVELOPMENT</b>											
Software under development									<b>15,056,022</b>	19,193,207	
<b>SUB TOTAL</b>									<b>15,056,022</b>	<b>19,193,207</b>	

\* Land was taken on lease for 66 years from September, 1997

\*\* Buildings include ₹4000 (Previous Year ₹4000) being value of 80 shares (Previous Year 80 shares) each in Acme Plaza Premises Co-operative Society Ltd

<b>NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2013</b>		
	As at March 31, 2013 ₹	As at March 31, 2012 ₹
<b>NOTE '11'</b>		
<b>LONG-TERM LOANS AND ADVANCES</b>		
(Unsecured ,Considered good)		
Capital Advances	<b>1,755,287</b>	1,288,933
Security Deposits	<b>3,342,818</b>	3,177,108
	<b>5,098,105</b>	4,466,041
<b>NOTE '12'</b>		
<b>CURRENT INVESTMENTS</b>		
<b>(Unquoted, Fully paid)</b>		
In Mutual funds	<b>227,357,511</b>	77,985,500
	<b>227,357,511</b>	77,985,500
<b>NOTE '13'</b>		
<b>TRADE RECEIVABLES</b>		
<b>(Unsecured)</b>		
<u>Outstanding for a period exceeding six months from the date they are due for payment</u>		
Considered good	<b>52,100</b>	15,369
Considered doubtful	<b>27,659,270</b>	41,936,912
	<b>27,711,370</b>	41,952,281
Less: Provision for doubtful debts	<b>(27,659,270)</b>	(41,936,912)
	<b>52,100</b>	15,369
<u>Other receivables</u>		
Considered good	<b>125,875,035</b>	102,605,304
	<b>125,875,035</b>	102,605,304
	<b>125,927,135</b>	102,620,673
<b>NOTE '14'</b>		
<b>CASH AND BANK BALANCES</b>		
<b>I. Cash and Cash Equivalents</b>		
<b>a) Cash on hand</b>	<b>67,861</b>	121,849
<b>b) Bank Balances</b>		
- in Current Accounts	<b>45,776,105</b>	79,711,041
	<b>45,843,966</b>	79,832,890
<b>II. Other Bank Balances</b>		
in Unpaid Dividend Accounts	<b>1,937,743</b>	1,306,388
in Fixed Deposit Accounts*		
- Deposits with maturity more than 3 months but less than 12 months (including interest accrued ₹ <b>411,131</b> , Previous Year ₹ 868,852)	<b>31,720,384</b>	30,358,982
- Deposits with maturity more than 12 months (including interest accrued ₹ <b>2,470</b> , Previous Year ₹ Nil)	<b>252,470</b>	-
	<b>79,754,563</b>	<b>111,498,260</b>



<b>NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2013</b>		
	<b>As at March 31, 2013 ₹</b>	<b>As at March 31, 2012 ₹</b>
* Fixed Deposits with Banks held as margin money against the following:		
Forward Contracts	<b>7,799,758</b>	5,753,149
Guarantees issued to Municipal corporations	<b>12,638,816</b>	6,394,770
Letter of Credit	-	4,400,000
Overdraft facility	-	10,000,000
<b>NOTE '15'</b> <b>SHORT-TERM LOANS AND ADVANCES</b> (Unsecured, Considered good)		
Advance for Supply of goods and rendering of services	<b>1,418,740</b>	10,146,813
Advances to employees	<b>1,310,911</b>	1,133,143
Deposits	<b>3,258,347</b>	1,822,096
Income Tax (Net of Provision of ₹ Nil; Previous Year ₹ 194,595,365)	-	59,502,897
Service Tax Receivable (Net)	<b>1,214,550</b>	1,213,271
	<b>7,202,548</b>	73,818,220
<b>NOTE '16'</b> <b>OTHER CURRENT ASSETS</b>		
Unbilled Revenue	<b>8,114,652</b>	19,170,057
Interest accrued but not due	<b>4,128</b>	8,504
Prepaid expenses	<b>6,545,922</b>	7,310,276
Other Receivable	<b>813,432</b>	79,103
	<b>15,478,134</b>	26,567,940
	<b>For the year ended March 31, 2013 ₹</b>	<b>For the year ended March 31, 2012 ₹</b>
<b>NOTE '17'</b> <b>REVENUE FROM OPERATIONS</b>		
From Sale of Services		
Information Technology Services	<b>644,094,777</b>	516,084,088
	<b>644,094,777</b>	516,084,088
<b>NOTE '18'</b> <b>OTHER INCOME</b>		
Interest on:		
Deposit With banks	<b>2,794,275</b>	1,662,216
Income Tax Refund [Refer Note No.29(iv)]	<b>74,080,633</b>	-
Others	<b>8,784</b>	376,416
	<b>76,883,692</b>	2,038,632
Profit on sale of Investments		
Current Investments	<b>5,880,029</b>	16,660,172
Long Term Investments	<b>3,824,654</b>	-
Exchange Gain	<b>7,593,625</b>	7,978,006
Rent Received	<b>18,475,903</b>	28,979,435
Less: Rates and Taxes directly attributable		
Rates and Taxes	<b>2,734,627</b>	1,554,490
Other Expenses	<b>2,578,308</b>	-
	<b>13,162,968</b>	27,424,945
Sundry Credit Balances written back (Net)	<b>586,679</b>	3,243,317
Miscellaneous Income	<b>108,654</b>	149,050
	<b>108,040,301</b>	75,943,368

<b>NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2013</b>		
	<b>For the year ended March 31,2013 ₹</b>	<b>For the year ended March 31,2012 ₹</b>
<b>NOTE '19'</b>		
<b>EMPLOYEE BENEFITS EXPENSE</b>		
Salaries	<b>408,386,955</b>	327,718,147
Contribution to Provident and other funds	<b>639,970</b>	653,194
Staff Welfare expenses	<b>16,294,148</b>	13,486,973
	<b>425,321,073</b>	341,858,314
Less: Transferred to Capital Work in Progress		
Building under construction	<b>460,000</b>	
Software under development	<b>11,203,293</b>	3,487,042
	<b>413,657,780</b>	338,371,272
<b>NOTE '20'</b>		
<b>FINANCE COSTS</b>		
Interest on Borrowings	<b>1,340,992</b>	129,457
Less: Transferred to Capital Work In Progress- Building under construction	<b>650,422</b>	-
	<b>690,570</b>	129,457
<b>NOTE '21'</b>		
<b>OTHER EXPENSES</b>		
Travelling & Conveyance	<b>28,964,920</b>	21,559,735
Communication	<b>6,339,307</b>	6,740,600
Electricity Expenses	<b>7,948,372</b>	6,402,765
Insurance	<b>2,508,991</b>	2,192,143
Rates and Taxes	<b>2,601,734</b>	1,993,106
Professional fees	<b>33,392,535</b>	24,176,623
Software Programming, Consultancy and Development Charges	<b>52,051,794</b>	42,422,934
Rent	<b>7,730,211</b>	5,948,242
Auditors' Remuneration		
Audit Fees	<b>890,320</b>	807,683
Tax Audit fees	<b>125,000</b>	125,000
Limited Review Fees	<b>225,000</b>	-
Certification and Other Services	<b>120,000</b>	156,137
Reimbursement of Expenses	<b>62,120</b>	28,810
	<b>1,422,440</b>	1,117,630
Repairs and Maintenance		
Buildings	<b>2,140,901</b>	1,642,180
Plant & Equipment	<b>6,600,659</b>	7,261,945
Others	<b>3,257,159</b>	2,309,443
	<b>11,998,719</b>	<b>11,213,568</b>
Security Expenses	<b>2,270,421</b>	1,988,534
Loss on assets sold/discarded (Net)	<b>818,035</b>	391,664
Bad Debts written off	<b>13,548,611</b>	-
Less: Provision for Doubtful Debts no longer required written back	<b>13,548,611</b>	-
	-	-
Provision for Doubtful debts	<b>254,892</b>	551,500
Miscellaneous Expenses	<b>14,443,717</b>	11,538,562
	<b>172,746,088</b>	138,237,606
Less: Transferred to Intangible Assets under Development	-	2,251,539
	<b>172,746,088</b>	135,986,067
<b>NOTE '22'</b>		
<b>EXCEPTIONAL ITEMS</b>		
Share in losses of Subsidiary Company	-	2,237,768
	-	2,237,768

CyberTech Middle East, W.L.L. Bahrain (CME), subsidiary of the Company is not operational due to the ongoing litigation between partners. Further, as the registered director in Bahrain who is responsible for the operations of the subsidiary has not provided any financial information, the accounts of CME are therefore not consolidated herein. However the investment in the company's books have been fully provided for and the same has been shown in the Exceptional items.



**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2013**

**Note : '23'**

**Earnings Per Share:**

	<b>For the year ended March 31, 2013</b>	For the year ended March 31, 2012
Profit attributable to the Shareholders	<b>88,074,530</b>	48,211,990
Weighted average number of Equity Shares outstanding during the year (Nos.)	<b>26,476,302</b>	26,476,302
Nominal Value of Equity Shares (₹)	<b>10</b>	10
Basic and Diluted Earnings Per Share (₹)	<b>3.33</b>	1.82

**Note : '24'**

**Employees Stock Option Plan (ESOP)**

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 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.

	<b>As at March 31, 2013</b>	As at March 31, 2012
Face Value of Grant	<b>10</b>	10
<b>Grants:</b>		
Outstanding at the beginning	<b>1,697,500</b>	2,046,750
Add.: Granted during the year	<b>0</b>	0
Less: Exercised during the year	<b>0</b>	0
Less : Forfeited During the year	<b>180,000</b>	349,250
Outstanding as at the end	<b>1,517,500</b>	1,697,500
<b>Vested:</b>		
Outstanding at the beginning	<b>773,750</b>	774,250
Add: Vested during the year	<b>361,250</b>	348,750
Less : Exercised during the year	<b>0</b>	0
Less : Forfeited During the year	<b>105,000</b>	349,250
Outstanding as at the end	<b>1,030,000</b>	773,750
<b>Grants to the Whole Time Director</b>		
Outstanding at the beginning	<b>0</b>	50,000

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2013**

Add.: Granted during the year	0	0
Less: Exercised during the year	0	0
Less : Forfeited During the year	0	50,000
Outstanding as at the end	0	0
<b>Vested to the Whole Time Director</b>		
Outstanding at the beginning	0	50,000
Add: Vested during the year	0	0
Less : Exercised during the year	0	0
Less : Forfeited During the year	0	50,000
Outstanding as at the end	0	0
<b>Grants to Non Executive Director</b>		
Outstanding at the beginning	180,000	240,500
Add.: Granted during the year	0	0
Less: Exercised during the year	0	0
Less : Forfeited During the year	30,000	60,500
Outstanding as at the end	150,000	180,000
<b>Vested to non-executive director</b>		
Outstanding at the beginning	142,500	165,500
Add: Vested during the year	37,500	37,500
Less : Exercised during the year	0	0
Less : Forfeited During the year	30,000	60,500
Outstanding as at the end	150,000	142,500

The Company has elected to use the intrinsic value method to account for the compensation cost of stock options to employees of the Company, Intrinsic value is the amount by which the quoted market price of the underlying share as on the date of grant exceeds the exercise price of the option:

**Summary of the options outstanding under the Employees Stock Option Plan (ESOP):**

	As at March 31, 2013		As at March 31, 2012	
	Options	Weighted Average Exercise Price (₹)	Options	Weighted Average Exercise Price (₹)
Options outstanding at beginning of the year	1,697,500	15.88	2,046,750	15.25



**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2013**

Granted during the year	0	0	0	0
Exercised during the year	0	0	0	0
Forfeited/lapsed during the year	180,000	16.62	349,250	12.17
Options outstanding at end of year	1,517,500	15.57	1,697,500	15.88
Vested options pending exercise	1,030,000	15.29	773,750	15.32

The following summarizes information about stock options outstanding:

**As at March 31, 2013**

Range of Exercise Price	Number of shares arising out of options	Weighted average remaining life (Years)	Weighted average Exercise Price (₹)
₹ 10 to ₹ 15	600,000	4	12.28
₹ 15 to ₹ 23	917,500	5	17.71

**As at March 31, 2012**

Range of Exercise Price	Number of shares arising out of options	Weighted average remaining life (Years)	Weighted average Exercise Price (₹)
₹ 10 to ₹ 15	600,000	4	12.28
₹ 15 to ₹ 23	1,097,500	5	17.85

**Fair Value methodology for the option:**

The fair value of options used to compute net income and earnings per equity share have been estimated on the dates of each grant within the range of ₹ 10 to ₹ 23 using the Black-Scholes pricing model. The Company estimated the volatility based on the historical share prices. The various assumptions considered in the pricing model for the options granted under ESOP are:

	As at March 31, 2013	As at March 31, 2012
Dividend yield	0-10%	0-10%
Expected volatility	10%-20%	10%-20%
Risk-free interest rate	6.46% - 6.65%	6.46% - 6.65%
Expected life of option	0 – 7 yrs	0 – 7 yrs

**Impact of Fair value method on Net Profit and EPS**

Had the compensation cost for the Company's Stock Option Plan outstanding been determined based on the fair value approach, the Company's net profit income and earnings per share would have been, as indicated below:

	For the Year ended March 31, 2013 ₹	For the Year ended March 31, 2012 ₹
Profit attributable to Equity Shareholders	88,074,530	48,211,990
Less: Stock-based compensation expense determined under fair value based method	207,513	226,566
Net Profit	87,867,017	47,985,424
Basic and diluted earnings per share (as reported)	3.33	1.82
Basic and diluted earnings per share (under fair value method)	3.32	1.81

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2013**

**Note : '25'**

**Related Party Disclosures**

A. List of Related Parties:

- (i) Associate:  
CyberTech Systems Inc., USA
- (ii) Key Management Personnel

Dr. Tapan Kumar Mukhopadhyay	Wholetime Director	CSSL
Mr. Ramasubramanian Sankaran (w.e.f August 4, 2012)	Executive Director	CSSL
Mr. Viswanath Tadimety	Director	CSSL, CSSI and CME
Mr. Steven Jeske	Director	CSSL, CSSI and CME

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

(Amount in ₹)

Particulars	Related Party Transactions		
	Associate	Key Management Personnel	Total
Expenses#	- (-)	#26,721,506 #(18,795,701)	26,721,506 (18,795,701)
Outstanding as at the year end			
Payable	1,280,575 (984,282)	1,349,512 (901,194)	2,630,087 (1,885,476)

**Disclosure in Respect of Material Related Party Transactions during the year**

- # Payment to Key Managerial Personnel includes remuneration paid to  
 Dr.TapanKumar Mukhopadhyay ₹ **1,600,537** (Previous Year ₹1,288,051),  
 Mr. Ramasubramanian Sankaran ₹ **1,694,573** (Previous Year ₹ Nil ),  
 Mr. Viswanath Tadimety ₹ **10,895,996** (Previous Year ₹ 9,214,560 ),  
 Mr. Steven Jeske ₹ **12,530,400** (Previous Year ₹ 8,293,090 )

**Notes:**

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

**Note : '26'**

**Defined Benefit Plan in respect of gratuity payable**

The present value of obligation is determined based on Actuarial valuation using Projected Unit Credit Method.

**Change in present value of obligation**

		As at March 31, 2013 ₹	As at March 31, 2012 ₹
1	Present Value of Defined Benefit Obligation, beginning of the year	7,200,047	5,317,621
2	Interest Cost	6,12,004	438,704



**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2013**

3	Current Service Cost	<b>2,115,100</b>	1,553,459
4	Benefits paid during the year	<b>(235,253)</b>	(314,185)
5	Actuarial (gain)/loss on Defined Benefit Obligation	<b>(713,180)</b>	204,448
6	Present Value of Defined Benefit Obligation, end of the year	<b>8,978,718</b>	7,200,047

**Amounts recognized in the Balance Sheet**

		<b>As at March 31, 2013</b> ₹	As at March 31, 2012 ₹
1	Present Value of Defined Benefit Obligation	<b>8,978,718</b>	7,200,047
2	Fair Value of plan assets	<b>764,747</b>	Nil
3	Net Liability recognized in the Balance Sheet	<b>8,213,971</b>	7,200,047

**Net gratuity cost for the year ended March 31, 2013**

		<b>For the Year ended</b> <b>March 31, 2013</b> ₹	For the Year ended March 31, 2012 ₹
1	Current Service Cost	<b>2,115,100</b>	1,553,459
2	Interest Cost on obligation	<b>6,12,004</b>	438,704
3	Expected Return on plan assets	<b>Nil</b>	Nil
4	Net Actuarial (gain)/loss recognized for the year ending March 31, 2013	<b>(713,180)</b>	204,448
5	Net Gratuity Cost	<b>2,013,924</b>	2,196,611

**Assumptions used in accounting for the gratuity plan**

		<b>As at March 31, 2013</b>	As at March 31, 2012
			(Rate per annum)
1	Discount Rate	<b>8.25%</b>	8.50%
2	Rate of Salary Escalation	<b>6.00%</b>	6.00%
3	Rate of return on plan assets	<b>8.70%</b>	Nil

**Note : '27'**

**Leases:**

- (A) The Company has leased its vacant premises under cancellable lease agreements, the income from which is recognised and disclosed as Rent received under Note No. 18.
- (B) 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. 21 under the head 'Rent'

**Note : '28'**

**Segment Reporting**

Pursuant to Accounting Standard 17 on "Segment Reporting" prescribed by the Companies (Accounting Standards) Rules, 2006, the Group has only one reportable segment viz. Information Technology Services.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2013****Note : '29'****Contingent Liabilities and commitments (to the extent not provided for) in respect of:****(A) Contingent Liabilities:**

- a) Disputed Income Tax Matters:
- i) Regular demand under assessment (including interest upto the date of demand) ₹ **30,224,097** (Previous year ₹ 30,224,097)
  - ii) Penalties & Interest upto the date of demand of ₹ **58,198,919** (Previous year ₹ 58,198,919)
  - iii) Other Income Tax proceedings in respect of earlier years decided in favour of the Company by the Appellate Authorities against which the Department is in further appeals excluding further interest liability, if any : ₹ **3,769,968** (Previous year ₹ 3,769,968)
  - iv) During the current year, the Company has received Income Tax refunds of ₹ 189,474,293 (including interest amount of ₹ 74,080,633) towards Assessment years 1997-98, 1998-99 and 1999-00, pursuant to the favourable Order from Income Tax Appellate Tribunal. The Income Tax Department has filed an appeal against the said Order with the Hon'ble High Court, Mumbai. Accordingly, the Company has, however continued the provision of ₹ 121,961,829 made in earlier years. The Company has accounted for the aforesaid interest on income tax refund
- b) Disputed Service Tax Matters ₹ **6,607,614** (Previous year ₹ 6,607,614)

**(B) Commitments:**

Estimated amount (Net of Advances) of contracts remaining to be executed on capital account and not provided for: ₹ **80,517,630** (Previous year ₹ 19,839,521)

**Note : '30'**

In the opinion of the Board, assets other than Fixed Assets have a value on realisation in the ordinary course of business atleast equal to the amount at which they are stated. Provision for depreciation and all known liabilities is adequate and not in excess of the amount reasonably necessary.

**Note : '31'**

The accounts of certain Banks, Trade Receivables, Trade Payables and Loans and Advances are subject to formal confirmation/reconciliation and adjustments, if any. The Management does not expect any material difference affecting the current year's consolidated financial statements.

**Note : '32'**

In the current year financial statements have been prepared as per Revised Schedule VI, previous years' figures have been re-grouped/re-arranged, wherever necessary, to conform to the current year's classification/presentation.

Signatures to Note 1 to 32

**For and on behalf of the Board of Directors**

**Sateesh Wadagbalkar**  
Company Secretary

**S. Ramasubramanian**  
Executive Director

**Sudhir Joshi**  
Director

Place : Mumbai  
Dated : May 15, 2013



**Statement pursuant to Section 212 of the Companies Act, 1956  
relating to subsidiary companies:**

<b>Sr. No.</b>		<b>CyberTech Systems and Software Inc., USA</b>	<b>CyberTech Middle East W.L.L., Bahrain</b>
1	The Financial Year of the Subsidiary ended on	March 31, 2013	March 31,2013
2	Shares of the Subsidiary Company held by CyberTech Systems and Software Ltd. on the above date (Nos)	(\$0.01 each) 585,000 (\$1.00 each) 750,000	634
3	Equity	USD 765,850	BHD 63,400
4	Extent of holding	100%	55%
5	Net aggregate amount of profits/(losses) of the Subsidiary for the above financial year of the Subsidiary so far as they concern the members of CyberTech Systems and Software Limited:		
a)	Dealt with in the accounts of CyberTech Systems and Software Ltd., for the year ended March 31, 2013	Nil	Nil
b)	Not dealt with in the Accounts of CyberTech Systems and Software Ltd. (Amount in Rupees)	(24,147,716)	(710,220)
6	Net aggregate of profits/(losses) of the Subsidiary Company for its previous financial years of the Subsidiary, so far as they concern the members of CyberTech Systems and Software Ltd.		
a)	Dealt with in the Accounts of CyberTech Systems and Software Ltd. for the year ended March 31, 2013	Nil	Nil
b)	Not dealt with in the Accounts of CyberTech Systems and Software Ltd. (Amount in Rupees)	(72,786,286)	(12,262,112)

**For and on behalf of the Board of Directors**

Place: Thane  
Date: August 13,2013

**Sateesh Wadagbalkar**  
Company Secretary

**S. Ramasubramanian**  
Executive Director

**Sudhir Joshi**  
Director

## DIRECTORS' 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 31<sup>st</sup> March 2013.

#### COMPANY FINANCIAL RESULTS:

	U.S.Dollars(\$)	
	<b>2012-2013</b>	<b>2011-2012</b>
Gross Revenue	<b>11,140,369</b>	10,273,740
Profit/(Loss) before Interest & Depreciation	<b>(264,928)</b>	(69,953)
Interest	<b>NIL</b>	NIL
Depreciation	<b>178,312</b>	92,335
Profit/(Loss) before tax	<b>(443,240)</b>	(162,288)
Provision for tax	<b>NIL</b>	NIL
Current Tax	<b>NIL</b>	NIL
Income Tax Adjustments for earlier years	<b>NIL</b>	NIL
Profit/(Loss) after tax	<b>(443,240)</b>	(162,288)
Profit/(Loss) b/f from previous year	<b>(1,513,051)</b>	(1,350,763)
Balance to be carried forward	<b>(1,956,291)</b>	(1,513,051)

#### REVIEW OF COMPANY'S OPERATIONS AND PERFORMANCE:

Operations of the Company are completely integrated with its parent Company viz., CyberTech Systems and Software Limited. The Company operates as CyberTech Systems and Software Limited'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 CyberTech Systems and Software, Inc has made a loss after tax of \$ 443,240 on the revenue of \$ 11,136,251. The operating loss before interest and depreciation was \$ 264,928. Results are disclosed in the attached financial statements.

The Company maintains its focus on SAP and GIS Technologies and Custom Technology applications. It maintains strong relationships and alliances with partners such as SAP, Microsoft and ESRI. These strong bonds will help the Company to attain business revenue growth and increasing profitability with a continued focus on offshore revenue in future.

#### DIVIDEND

Your Directors would like to conserve Company resources for business operations and hence no dividend is recommended.

#### DIRECTORS:

The Company is governed by its Board of Directors. Currently directors are : Mr. Viswanath Tadimety, Mr. Steven Jeske and Mr. Sudhir Joshi.

#### Registered Office

1301, West 22<sup>nd</sup> Street,  
Suite 308, Oak Brook,  
IL 60523, USA.

**For and on behalf of the Board of Directors**

**Viswanath Tadimety**  
Chairman

Place : Trevoze. PA  
Date : August 13, 2013

## **AUDITORS' REPORT**

### **To The Members**

#### **CyberTech Systems and Software Inc. (USA)**

#### **Report on the Financial Statements**

We have audited the accompanying financial statements of **CyberTech Systems & Software Inc. USA** ('the Company') which comprise the Balance Sheet as at 31st March, 2013, Statement of Profit and Loss and the Cash Flow Statement of the company for the year ended, and a summary of the significant accounting policies and other explanatory information.

#### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control 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.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013;
- b) in the case of Statement of Profit and Loss, of the loss of the Company for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by section 227(3) of the Act, we report that:
  - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c) the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d) in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956; and

**For LODHA & CO.**  
**Chartered Accountants**  
**Firm Registration No. 301051E**

**A.M. Hariharan**  
**Partner**  
**Membership No. 38323**

**Place : Mumbai**  
**Date : May 15, 2013**

<b>BALANCE SHEET AS AT MARCH 31, 2013</b>					
	<b>NOTE NO.</b>	<b>As at March 31, 2013</b>	<b>As at March 31, 2013</b>	<b>As at March 31, 2012</b>	<b>As at March 31, 2012</b>
		<b>US Dollars</b>	<b>₹</b>	<b>US Dollars</b>	<b>₹</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Shareholders' Funds</b>					
Share Capital	<b>2</b>	<b>765,850</b>	<b>41,593,314</b>	765,850	39,234,496
Reserves and Surplus	<b>3</b>	<b>(387,141)</b>	<b>(21,025,626)</b>	56,099	2,873,952
<b>Current Liabilities</b>					
Trade Payables	<b>4</b>	<b>3,004,636</b>	<b>163,181,781</b>	3,572,811	183,035,107
Other Current Liabilities	<b>5</b>	<b>23,579</b>	<b>1,280,575</b>	38,963	1,996,075
<b>TOTAL</b>		<b>3,406,924</b>	<b>185,030,044</b>	4,433,723	227,139,630
<b>ASSETS</b>					
<b>Non Current Assets</b>					
Fixed Assets	<b>6</b>				
Tangible Assets		<b>27,453</b>	<b>1,490,973</b>	35,934	1,840,900
Intangible Assets		<b>285,654</b>	<b>15,513,869</b>	116,250	5,955,487
Intangible Assets under Development		-	-	329,200	16,864,916
Long Term Loans and Advances	<b>7</b>	<b>8,563</b>	<b>465,057</b>	4,485	229,767
<b>Current Assets</b>					
Trade Receivables	<b>8</b>	<b>2,026,973</b>	<b>110,084,904</b>	1,892,956	96,976,136
Cash and Bank Balances	<b>9</b>	<b>912,471</b>	<b>49,556,300</b>	1,467,322	75,170,906
Short Term Loans and Advances	<b>10</b>	<b>7,533</b>	<b>409,117</b>	215,096	11,019,368
Other Current Assets	<b>11</b>	<b>138,277</b>	<b>7,509,824</b>	372,480	19,082,150
<b>TOTAL</b>		<b>3,406,924</b>	<b>185,030,044</b>	4,433,723	227,139,630

Significant Accounting Policies and Notes forming part of the Financial Statements

1 to 24

As per our attached report of even date

**For Lodha & Co.**  
Chartered Accountants

**A.M. Hariharan**  
Partner

Place : Mumbai  
Dated : May 15, 2013

**For and on behalf of the Board of Directors**

**Steven Jeske**  
Director

Place : Thane  
Dated : May 15, 2013



**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2013**

	NOTE NO.	For the year ended March 31, 2013	For the year ended March 31, 2013	For the year ended March 31, 2012	For the year ended March 31, 2012
		US Dollars	₹	US Dollars	₹
<b>INCOME</b>					
Revenue from Operations	12	11,136,251	606,702,954	10,246,681	492,618,411
Other Income	13	4,118	224,349	27,059	1,300,885
		<b>11,140,369</b>	<b>606,927,303</b>	10,273,740	493,919,296
<b>EXPENDITURE</b>					
Employee Benefits Expense	14	3,885,673	211,691,465	3,867,199	185,919,072
Depreciation and Amortisation expense		178,312	9,714,438	92,335	4,439,088
Other Expenses	15	7,519,624	409,669,116	6,476,494	311,363,277
		<b>11,583,609</b>	<b>631,075,019</b>	10,436,028	501,721,437
<b>Loss before Tax</b>		<b>(443,240)</b>	<b>(24,147,716)</b>	(162,288)	(7,802,141)
Provision for Tax		-	-	-	-
<b>Loss for the year</b>		<b>(443,240)</b>	<b>(24,147,716)</b>	(162,288)	(7,802,141)
Basic and Diluted Earnings per Share		<b>(0.58)</b>	<b>(31.53)</b>	(0.21)	(10.19)

Significant Accounting Policies and Notes forming part of the Financial Statements

1 to 24

As per our attached report of even date

**For Lodha & Co.**  
Chartered Accountants

**For and on behalf of the Board of Directors**

**A.M. Hariharan**  
Partner

**Steven Jeske**  
Director

Place : Mumbai  
Dated : May 15, 2013

Place : Thane  
Dated : May 15, 2013

<b>CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013</b>				
	For the year ended March 31, 2013		For the year ended March 31, 2012	
	US Dollars	₹	US Dollars	₹
<b>A. Cash flow from Operating activities</b>				
Net Loss before tax	(443,240)	(24,147,716)	(162,288)	(7,802,141)
Adjustments for :				
Depreciation and Amortisation expense	178,312	9,714,438	92,335	4,439,088
Interest income	(4,118)	(224,349)	(6,159)	(296,099)
Sundry Credit Balances written back	-	-	(20,900)	(1,004,786)
Effect of exchange rate change	-	2,606,956	-	5,905,496
	<b>174,194</b>	<b>12,097,045</b>	65,276	9,043,699
<b>Operating profit before Working Capital changes</b>	<b>(269,046)</b>	<b>(12,050,671)</b>	(97,012)	1,241,558
Adjustments for :				
Decrease/(Increase) in Trade receivables	(134,017)	(13,108,768)	(279,365)	(25,072,423)
Decrease/(Increase) in Other receivables	437,598	21,942,911	(243,926)	(14,818,454)
Increase/(Decrease) in Trade & Other payables	(583,559)	(20,568,826)	1,325,948	82,265,900
	<b>(279,978)</b>	<b>(11,734,683)</b>	802,657	42,375,023
<b>Net cash generated from / (used in) operating activities</b>	<b>(549,024)</b>	<b>(23,785,354)</b>	705,645	43,616,581
<b>B. Cash flow from investing activities</b>				
Purchase of fixed assets	(10,035)	(2,057,977)	(361,233)	(18,505,967)
Interest received	4,208	228,725	6,249	300,426
<b>Net cash generated from / (used in) investing activities</b>	<b>(5,827)</b>	<b>(1,829,252)</b>	(354,984)	(18,205,541)
<b>C. Cash flow from financing activities :</b>	-	-	-	-
<b>Net cash generated from / (used in) financing activities</b>	-	-	-	-
<b>Net Increase / (Decrease) in cash &amp; cash equivalents (A+B+C)</b>	<b>(554,851)</b>	<b>(25,614,606)</b>	350,661	25,411,040
Cash & cash equivalents (Opening)	1,467,322	75,170,906	1,116,661	49,759,866
Cash & cash equivalents (Closing)	912,471	49,556,300	1,467,322	75,170,906
	<b>(554,851)</b>	<b>(25,614,606)</b>	350,661	25,411,040

**Note**

1 The above Cash Flow Statement has been prepared using the Indirect Method prescribed by the Accounting Standards (AS) 3 "Cash Flow Statements" prescribed by Companies (Accounting Standards) Rules, 2006.

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

The accompanying notes form an integral part of financial statements

As per our attached report of even date

**For Lodha & Co.**

Chartered Accountants

**A.M. Hariharan**

Partner

Place : Mumbai

Dated : May 15, 2013

**For and on behalf of the Board of Directors****Steven Jeske**

Director

Place : Thane

Dated : May 15, 2013



**NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2013**

**Note '1'**

**SIGNIFICANT ACCOUNTING POLICIES:**

**Basis of Accounting**

The financial statements are prepared on the basis of the historical cost convention, in accordance with the applicable accounting standards prescribed by the Companies (Accounting Standards) Rules, 2006 (as amended) and relevant provisions of the Companies Act, 1956 and on the principle of a going concern. All expenses and income to the extent ascertainable with reasonable certainty are accounted for, on accrual basis.

**Use of estimates**

The preparation of financial statements in conformity with Indian Generally Accepted Accounting Principles (GAAP) and Accounting Standards (AS) require the management to make estimates and assumptions that affect the reported income and expenses during the reported period and the reported amounts of assets and liabilities and disclosure of contingent liabilities as of the date of the financial statements. The recognition, measurement, classification or disclosure of an item or information in the financial statements has been made relying on these estimates. Actual results may differ from these estimates. Any revision to the accounting estimates is recognized prospectively.

**Revenue Recognition**

Income from software development, customer support services and Consulting are recognised in accordance with the terms of contract. Revenue from fixed price contracts with milestone billings and fixed time frame contracts are recognized as per the proportionate completion method.

**Unbilled Revenues**

Revenue recognized over and above the billings on a customer is classified as "unbilled revenue".

**Fixed Assets and Depreciation / Amortisation**

Fixed assets are stated at cost of acquisition less accumulated depreciation/amortisation. Depreciation/amortisation is provided using the straight-line method over the estimated useful life as under :

Description of Assets	Estimated useful life
Computers Hardware	3 years
Computers Software	4 years
Furniture & Fixtures	3 years
Plant & Machineries	5 years
Goodwill *	10 years

**\* Note :**

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

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

**Taxation**

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

**Borrowing Costs**

Borrowing costs directly attributable to acquisition, construction and production of qualifying assets are capitalized as a part of the cost of such asset up to the date of completion. Other borrowing costs are charged to the Statement of Profit and Loss.

**Provisions, contingent liabilities and contingent assets**

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

**Foreign currency translation:**

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 AS AT AND FOR THE YEAR ENDED MARCH 31, 2013**

	As at	As at	As at	As at
	March 31, 2013	March 31, 2013	March 31, 2012	March 31, 2012
	US Dollars	₹	US Dollars	₹
<b>NOTE '2'</b>				
<b>SHARE CAPITAL</b>				
<b>Authorised</b>				
<b>10,000,000</b> (Previous Year 10,000,000)				
Common Stock of USD 0.01 each.	<b>100,000</b>	<b>5,431,000</b>	100,000	5,123,000
<b>750,000</b> (Previous Year 750,000)				
Common Stock of USD.1.00 each	<b>750,000</b>	<b>40,732,500</b>	750,000	38,422,500
	<b>850,000</b>	<b>46,163,500</b>	850,000	43,545,500
<b>Issued, Subscribed and Paid-Up</b>				
<b>1,585,000</b> (Previous Year 1,585,000)				
Common Stock of USD.0.01 each, fully paid up	<b>15,850</b>	<b>860,814</b>	15,850	811,996
<b>750,000</b> (Previous year 750,000)				
Common Stock of USD.1.00 each, fully paid up	<b>750,000</b>	<b>40,732,500</b>	750,000	38,422,500
	<b>765,850</b>	<b>41,593,314</b>	765,850	39,234,496

**(a) Reconciliation of Share Capital**

As at March 31, 2013	Face Value of USD 0.01 each		Face Value of USD 1.00 each	
	Opening	Closing	Opening	Closing
<b>No of shares</b>	<b>1,585,000</b>	<b>1,585,000</b>	<b>750,000</b>	<b>750,000</b>
<b>Amount in USD</b>	<b>15,850</b>	<b>15,850</b>	<b>750,000</b>	<b>750,000</b>
<b>Amount in ₹*</b>	<b>811,996</b>	<b>860,814</b>	<b>38,422,500</b>	<b>40,732,500</b>

\*change is on account of reinstatement

As at March 31, 2012	Face Value of USD 0.01 each		Face Value of USD 1.00 each	
	Opening	Closing	Opening	Closing
<b>No of shares</b>	<b>1,585,000</b>	<b>1,585,000</b>	<b>750,000</b>	<b>750,000</b>
<b>Amount in USD</b>	<b>15,850</b>	<b>15,850</b>	<b>750,000</b>	<b>750,000</b>
<b>Amount in ₹*</b>	<b>706,297</b>	<b>811,996</b>	<b>33,420,975</b>	<b>38,422,500</b>

\*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.



**NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2013**

**(c) Shareholders holding more than 5% of the equity shares :**

	As at March 31, 2013		As at March 31, 2012	
	No of shares	%	No of shares	%
CyberTech Systems and Software Limited (Holding Company)				
Face Value of USD 0.01 each	<b>1,585,000</b>	<b>100</b>	1,585,000	100
Face Value of USD 1.00 each	<b>750,000</b>	<b>100</b>	750,000	100

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

	As at	As at	As at	As at
	March 31, 2013	March 31, 2013	March 31, 2012	March 31, 2012
	US Dollars	₹	US Dollars	₹
<b>NOTE '3'</b>				
<b>RESERVES AND SURPLUS</b>				
<b>Securities Premium Account</b>				
Balance as per last Balance Sheet	<b>1,569,150</b>	<b>85,220,537</b>	1,569,150	80,387,555
<b>Surplus</b>				
Opening Balance	<b>(1,513,051)</b>	<b>(72,786,286)</b>	(1,350,763)	(64,984,145)
Add: Loss for the year	<b>(443,240)</b>	<b>(24,147,716)</b>	(162,288)	(7,802,141)
Closing Balance	<b>(1,956,291)</b>	<b>(96,934,002)</b>	(1,513,051)	(72,786,286)
<b>Foreign Currency Translation Reserve</b>				
Opening Balance		<b>(4,727,317)</b>		4,792,389
Add: Foreign Currency Translation during the year		<b>(4,584,844)</b>		(9,519,706)
Closing Balance		<b>(9,312,161)</b>		(4,727,317)
	<b>(387,141)</b>	<b>(21,025,626)</b>	56,099	2,873,952
<b>NOTE '4'</b>				
<b>TRADE PAYABLES</b>				
Dues to Holding Company	<b>2,423,215</b>	<b>131,604,807</b>	2,771,947	142,006,845
Others	<b>581,421</b>	<b>31,576,974</b>	800,864	41,028,262
	<b>3,573,490</b>	<b>183,069,892</b>	2,258,042	100,621,289
<b>NOTE '5'</b>				
<b>OTHER CURRENT LIABILITIES</b>				
Dues to Associate Company	<b>23,579</b>	<b>1,280,575</b>	19,213	984,282
Advance from Customers	-	-	19,750	1,011,793
	<b>23,579</b>	<b>1,280,575</b>	38,963	1,996,075

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2013

### NOTE '6'

#### FIXED ASSETS

		GROSS BLOCK (At Cost)				DEPRECIATION/AMORTISATION			NET BLOCK	
DESCRIPTION	As at 1-Apr-12	Additions during the year	Deductions/ Adjustments during the year	As at 31-Mar-13	Upto 31-Mar-12	for the year	On Deductions/ Adjustments	Upto 31-Mar-13	As at 31-Mar-13	As at 31-Mar-12
<b>TANGIBLE ASSETS</b>										
Plant & Equipment	10,150	-	-	10,150	2,523	2,030	-	4,553	5,597	7,627
Furniture and Fixtures	50,000	-	-	50,000	50,000	-	-	50,000	-	-
Computers	81,120	10,035	-	91,155	52,813	16,486	-	69,299	21,856	28,307
<b>SUB TOTAL</b>	<b>141,270</b>	<b>10,035</b>	-	<b>151,305</b>	<b>105,336</b>	<b>18,516</b>	-	<b>123,852</b>	<b>27,453</b>	<b>35,934</b>
<b>INTANGIBLE ASSETS</b>										
Goodwill	775,000	-	-	775,000	658,750	77,496	-	736,246	38,754	116,250
Computer Software	-	329,200	-	329,200	-	82,300	-	82,300	246,900	-
<b>SUB TOTAL</b>	<b>775,000</b>	<b>329,200</b>	-	<b>1,104,200</b>	<b>658,750</b>	<b>159,796</b>	-	<b>818,546</b>	<b>285,654</b>	<b>116,250</b>
<b>Current Year Total</b>	<b>916,270</b>	<b>339,235</b>	-	<b>1,255,505</b>	<b>764,086</b>	<b>178,312</b>	-	<b>942,398</b>	<b>313,107</b>	<b>152,184</b>
Previous Year Total	884,237	32,033	-	916,270	671,751	92,335	-	764,086	244,519	-
<b>INTANGIBLE ASSETS UNDER DEVELOPMENT</b>										
Softwares	-	-	-	-	-	-	-	-	-	329,200
<b>SUB TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>329,200</b>
(Amount in US Dollars)										
<b>TOTAL</b>										
<b>NET BLOCK</b>										
(Amount in ₹)										
<b>TANGIBLE ASSETS</b>										
Plant & Equipment	519,985	-	(31,262)	551,247	129,253	110,594	(7,426)	247,273	303,974	390,732
Furniture and Fixtures	2,561,500	-	(154,000)	2,715,500	2,561,500	-	(154,000)	2,715,500	-	-
Computers	4,155,778	545,001	(249,849)	4,950,628	2,705,610	898,157	(159,862)	3,763,629	1,186,999	1,450,168
<b>SUB TOTAL</b>	<b>7,237,263</b>	<b>545,001</b>	<b>(435,111)</b>	<b>8,217,375</b>	<b>5,396,363</b>	<b>1,008,751</b>	<b>(321,288)</b>	<b>6,726,402</b>	<b>1,490,973</b>	<b>1,840,900</b>
<b>INTANGIBLE ASSETS</b>										
Goodwill	39,703,250	-	(2,387,000)	42,090,250	33,747,763	4,221,982	(2,015,775)	39,985,520	2,104,730	5,955,487
Computer Software	-	17,878,852	-	17,878,852	-	4,483,704	13,991	4,469,713	13,409,139	-
<b>SUB TOTAL</b>	<b>39,703,250</b>	<b>17,878,852</b>	<b>(2,387,000)</b>	<b>59,969,102</b>	<b>33,747,763</b>	<b>8,705,686</b>	<b>(2,015,775)</b>	<b>44,455,233</b>	<b>15,513,869</b>	<b>5,955,487</b>
<b>Current Year Total</b>	<b>46,940,513</b>	<b>18,423,853</b>	<b>(2,822,111)</b>	<b>68,186,477</b>	<b>39,144,126</b>	<b>9,714,437</b>	<b>(4,660,135)</b>	<b>51,181,635</b>	<b>17,004,842</b>	<b>7,796,387</b>
Previous Year Total	39,232,936	1,641,051	(6,066,526)	46,940,513	29,764,284	4,439,088	(4,940,754)	39,144,126	7,796,387	-
<b>INTANGIBLE ASSETS UNDER DEVELOPMENT</b>										
Softwares	-	-	-	-	-	-	-	-	-	16,864,916
<b>SUB TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16,864,916</b>



<b>NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2013</b>				
	As at March 31, 2013	As at March 31, 2013	As at March 31, 2012	As at March 31, 2012
	US Dollars	₹	US Dollars	₹
<b>NOTE '7'</b> <b>LONG TERM LOANS AND ADVANCES</b>				
Security Deposits	8,563	465,057	4,485	229,767
	<b>8,563</b>	<b>465,057</b>	4,485	229,767
<b>NOTE '8'</b> <b>TRADE RECEIVABLES</b> (Unsecured) Outstanding for a period exceeding six months from due date				
Considered good	-	-	300	15,369
Considered doubtful	10,133	550,323	28,353	1,452,524
	<b>10,133</b>	<b>550,323</b>	28,653	1,467,893
Less: Provision for doubtful debts	(10,133)	(550,323)	(28,353)	(1,452,524)
	-	-	300	15,369
Other receivables Considered good	2,026,973	110,084,904	1,892,656	96,960,767
	<b>2,026,973</b>	<b>110,084,904</b>	1,892,656	96,960,767
	<b>2,026,973</b>	<b>110,084,904</b>	1,892,956	96,976,136
<b>NOTE '9'</b> <b>CASH AND BANK BALANCES</b>				
<b>I. Cash and Cash Equivalents</b>				
<b>Bank Balances</b>				
- in Current Accounts	707,708	38,435,621	1,051,131	53,849,441
<b>II. Other Bank Balances</b>				
- in Call Accounts	204,763	11,120,679	416,191	21,321,465
	<b>912,471</b>	<b>49,556,300</b>	1,467,322	75,170,906
<b>NOTE '10'</b> <b>SHORT TERM LOANS AND ADVANCES</b> (Unsecured, Considered good)				
Advances for Supply of goods and rendering of services	-	-	197,660	10,126,122
Recoverable from employees	7,533	409,117	15,358	786,790
Rental Deposits	-	-	2,078	106,456
	<b>7,533</b>	<b>409,117</b>	215,096	11,019,368
<b>NOTE '11'</b> <b>OTHER CURRENT ASSETS</b>				
Interest Receivable	76	4,128	166	8,504
Unbilled Revenues	109,272	5,934,562	311,988	15,983,145
Prepaid expenses	28,929	1,571,134	60,326	3,090,501
	<b>138,277</b>	<b>7,509,824</b>	372,480	19,082,150

<b>NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2013</b>				
	<b>For the year ended March 31, 2013</b>		<b>For the year ended March 31, 2012</b>	
	<b>US Dollars</b>	<b>₹</b>	<b>US Dollars</b>	<b>₹</b>
<b>NOTE '12'</b> <b>REVENUE FROM OPERATIONS</b>				
From Sale of Services				
Software Development Services	<b>11,136,251</b>	<b>606,702,954</b>	10,246,681	492,618,411
	<b>11,136,251</b>	<b>606,702,954</b>	10,246,681	492,618,411
<b>NOTE '13'</b> <b>OTHER INCOME</b>				
Interest Received	<b>4,118</b>	<b>224,349</b>	6,159	296,099
Sundry Credit Balances written back (Net)	-	-	20,900	1,004,786
	<b>4,118</b>	<b>224,349</b>	27,059	1,300,885
<b>NOTE '14'</b> <b>EMPLOYEE BENEFITS EXPENSE</b>				
Salaries	<b>3,696,520</b>	<b>201,386,410</b>	3,695,329	177,656,267
Welfare	<b>189,153</b>	<b>10,305,055</b>	171,870	8,262,805
	<b>3,885,673</b>	<b>211,691,465</b>	3,867,199	185,919,072
<b>NOTE '15'</b> <b>OTHER EXPENSES</b>				
Travelling & Conveyance	<b>354,038</b>	<b>19,287,990</b>	316,555	15,218,667
Communication	<b>66,147</b>	<b>3,603,689</b>	64,615	3,106,424
Electricity Expenses	<b>9,090</b>	<b>495,223</b>	7,569	363,886
Insurance	<b>38,347</b>	<b>2,089,145</b>	39,064	1,878,037
Rates and Taxes	<b>21,389</b>	<b>1,165,273</b>	14,863	714,552
Professional fees	<b>438,687</b>	<b>23,899,668</b>	299,793	14,412,818
Software Programming, Consultancy and Development Charges	<b>6,295,595</b>	<b>342,984,016</b>	5,468,081	262,882,915
Rent	<b>117,538</b>	<b>6,403,470</b>	102,156	4,911,242
Auditors' Remuneration				
Audit Fees	<b>8,000</b>	<b>435,840</b>	8,000	384,607
Service Tax	<b>1,000</b>	<b>54,480</b>	1,000	48,076
	<b>9,000</b>	<b>490,320</b>	9,000	432,683
Repairs and Maintenance				
Plant & Equipment	<b>22,656</b>	<b>1,234,299</b>	57,024	2,741,480
Others	<b>33,432</b>	<b>1,821,375</b>	15,644	752,099
	<b>56,088</b>	<b>3,055,674</b>	72,668	3,493,579
Provision for Doubtful debts	<b>1,500</b>	<b>81,720</b>	-	-
Miscellaneous Expenses	<b>112,205</b>	<b>6,112,928</b>	82,130	3,948,474
	<b>7,519,624</b>	<b>409,669,116</b>	6,476,494	311,363,277



**NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2013**

**NOTES ON ACCOUNTS:**

**Note '16'**

**Segment Reporting :**

Pursuant to Accounting Standard 17 on "Segment Reporting" issued by the Companies (Accounting Standards) Rules, 2006, Company has only one reportable segment viz. Information Technology Services.

**Note '17'**

**Earnings Per Share:**

	<b>For the year ended March 31, 2013</b>	<b>For the year ended March 31, 2013</b>	For the year ended March 31, 2012	For the year ended March 31, 2012
Profit /(Loss) attributable to the Shareholders	<b>USD (443,240)</b>	<b>₹ (24,147,716)</b>	USD (162,288)	₹ (7,802,141)
Weighted average number of Equity Shares outstanding during the year (Nos.)	<b>765,850</b>	<b>765,850</b>	765,850	765,850
Nominal Value of Equity Shares:	<b>USD 1.00</b>	<b>₹ 54.31</b>	USD 1.00	₹ 51.23
Basic and Diluted Earnings Per Share (Not annualised)	<b>USD (0.58)</b>	<b>₹ (31.53)</b>	USD (0.21)	₹ (10.19)

**Note '18'**

**Related Party Disclosures:**

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

A. List of Related Parties:

- (1) Parties where control exists:
  - (i) Holding Company :  
CyberTech Systems and Software Ltd., India
  - (ii) Fellow Subsidiary :  
CyberTech Middle East W.L.L., Bahrain
- (2) Other Parties with whom the Company has entered into transactions during the year
  - (i) Associate :  
CyberTech Systems Inc., USA
  - (ii) Key Management Personnel :  
Mr. Viswanath Tadimety - Director  
Mr. Steven Jeske - Director

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

Particulars	Referred in (A)(1) (i) above	Referred in (A)(1) (i) above	Referred in (A)(2)(i) above	Referred in (A)(2)(i) above	Referred in (A)(2)(ii) above	Referred in (A)(2)(ii) above
	USD	₹	USD	₹	USD	₹
1) Expenses	<b>5758,074</b> (49,18,287)	<b>308,234,460</b> (236,451,258)	- -	- -	<b>#430,000</b> (364,167)	<b>23,426,396</b> (17,507,650)
2) Outstanding as at the year end: Payable	<b>2,423,215</b> ( 2,771,946)	<b>131,604,807</b> (142,006,773)	<b>23,579</b> (19,213)	<b>1,280,575</b> (984,306)	<b>17,917</b> (15,833)	<b>973,054</b> (811,141)

**NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2013**

**Disclosure in Respect of Material Related Party Transactions during the year**

# Payment to Key Managerial Personnel includes remuneration paid to

	USD	₹
Mr. Viswanath Tadimety	<b>200,000</b>	<b>10,895,996</b>
	(191,667)	(92,14,560)
Mr. Steven Jeske	<b>230,000</b>	<b>12,530,400</b>
	(172,500)	(8,293,090)

**Note:**

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

**Note '19'**

**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. 15 under the head 'Rent'.

**Note '20'**

In the opinion of the Board, assets other than Fixed Assets and Non Current investments have a value on realisation in the ordinary course of business atleast equal to the amount at which they are stated. Provision for depreciation and all known liabilities is adequate and not in excess of the amount reasonably necessary.

**Note '21'**

The accounts of certain Banks, Trade Receivables, Trade Payables and Loans and Advances are subject to confirmation/reconciliation and adjustments, if any. The Management does not expect any material difference affecting the current year's financial statements.

**Note '22'**

	For the year ended March 31, 2013 USD	For the year ended March 31, 2013 ₹	For the year ended March 31, 2012 USD	For the year ended March 31, 2012 ₹
Expenditure in foreign currency:				
Salaries	<b>105,386</b>	<b>5,741,429</b>	-	-
Professional Fees	<b>21,466</b>	<b>1,169,468</b>	-	-
Other expenses	<b>1,000</b>	<b>54,480</b>	-	-

**Note '23'**

	For the year ended March 31, 2013 USD	For the year ended March 31, 2013 ₹	For the year ended March 31, 2012 USD	For the year ended March 31, 2012 ₹
Earnings in foreign exchange				
Income from Sale of Software Development Services	<b>147,079</b>	<b>8,012,864</b>	-	-

**Note '24'**

Previous year's figures have been re-grouped/re-arranged, wherever necessary, to conform to the current year's classification/presentation Signatures to Note 1 to 24

**For and on behalf of the Board of Directors**

**Steven Jeske**  
Director

Place : Thane  
Dated : May 15, 2013

## **Audit Report 2013**

To,

### **The Members of CyberTech Middle East W.L.L.**

We have audited the attached Balance Sheet of CyberTech Middle East W.L.L. as on 31st March 2013 and also the Statement of Profit and Loss for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

### **Directors' Responsibility for the Financial Statements**

The directors of the Company are responsible for the preparation and fair presentation of these financial statements in accordance with Indian GAAP. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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

### **Basis for Disclaimer of Opinion**

1. As disclosed in Note 1 to the financial statements, the accounting records of the Company are under the control of the registered director nominated by the JV partner, with whom the holding Company has a dispute. In consequence, those records are not available to the holding company. The holding company attempted to reconstruct the Company's accounting records based on information and documents available to them and also based on the best estimates made by the directors representing CSSL, in situations that such estimates are required to be made. The Company's financial statements produced using this basis has been provided to us for audit.
2. We were unable to obtain sufficient and appropriate audit evidence as to the balances of trade & other payables and borrowings of the Company due to lack of supporting documentary evidence made available to us for our verification due to the matters mentioned in paragraph 1 above.
3. As disclosed in Note 4 the financial statements, the Company reported a total borrowing of BHD 3,467 (2011 – BHD 3,467) as on 21st July 2010, the last date for which bank statements are available with the holding company. This borrowing is with respect to a car loan taken by the Company. In the absence of any information, we are unable to satisfy ourselves that the total bank borrowings and the relevant liabilities reflected in the financial statements are fairly stated.
4. To date of this report, we have not received replies from the bankers to the Company, to our letters requesting these banks to confirm the bank balances and any related liabilities (including contingent liabilities, if any). There were no other alternative means for us to carry out the relevant verification work to confirm the completeness of bank balances recorded in the financial statements and any related liabilities or contingent liabilities of the Company.
5. Due to the matters highlighted in paragraphs 1 to 4, we are unable to satisfy ourselves that all the relevant payables, and their related disclosure notes have been included in the financial statements of the Company and disclosed accordingly.
6. The evidence available to us to confirm the appropriateness of preparing the financial statements on the going concern basis was inadequate. As a result, and in the absence of any alternative evidence available to us, we are unable to form an opinion as to whether the financial statements which have been prepared on the accounting principles applicable to a going concern, gives a true and fair view of the financial position of the Company as at 31st March 2013, and of the results of the operations, the cash flows for the financial year ended on that date.

7. We have expressed a disclaimer of report opinion in our audit report in respect of our audit of the previous financial year's financial statements because of similar matters described in paragraphs 1 to 6 above.

### **Disclaimer of Opinion**

*Because of the matters described in the Basis for Disclaimer Opinion paragraphs above, we are unable to form an opinion as to the appropriateness of the financial statements as on 31st March 2013 and of its financial performance and cash flows for the year then ended in accordance with the Indian GAAP which were prepared on going concern basis.*

This report is made solely to CSSL, the holding company, as a body, in accordance with Indian GAAP solely for the purpose of enabling the holding company to comply with Indian Laws and for no other purpose. We do not assume responsibility to any other person for the content of this report.

For **HEMANT MAHAJAN & ASSOCIATES**

*Chartered Accountants*

Firm Reg.No. 117419W

**CA. Hemant P. Mahajan**

*Proprietor*

M.No 102526

Place : Thane

Dated : August 13, 2013

**CYBERTECH MIDDLE EAST W.L.L., BAHRAIN  
BALANCE SHEET AS AT MARCH 31, 2013**

	NOTE NO.	As at March 31, 2013	As at March 31, 2013	As at March 31, 2012	As at March 31, 2012
		Bahrain Dinars	₹	Bahrain Dinars	₹
<b>EQUITY AND LIABILITIES</b>					
<b>Shareholders' Funds</b>					
Share Capital	2	115,300	16,686,158	115,300	15,894,451
Reserves & Surplus	3	(100,404)	(14,530,417)	(95,498)	(13,164,685)
<b>Current Liabilities</b>					
Short term Borrowings	4	3,467	501,743	3,467	477,936
Trade Payables	5	238,182	34,469,580	237,620	32,756,630
		<b>256,545</b>	<b>37,127,064</b>	260,889	35,964,332
<b>ASSETS</b>					
<b>Non Current Assets</b>					
Fixed Assets	6				
Tangible Assets		14,130	2,044,886	18,474	2,546,697
<b>Current Assets</b>					
Trade Receivables	7	192,516	27,860,819	192,516	26,538,908
Cash and Bank Balances	8	21,399	3,096,853	21,399	2,949,916
Short Term Loans and Advances	9	12,300	1,780,050	12,300	1,695,592
Other Current Assets	10	16,200	2,344,456	16,200	2,233,219
		<b>256,545</b>	<b>37,127,064</b>	260,889	35,964,332

Significant Accounting Policies and Notes on Financial Statements

1-15

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

As per our attached report of even date

**For Hemant Mahajan & Associates**

Chartered Accountants

Firm Reg.No. 117419W

**For and on behalf of the Board of Directors**

**Hemant P Mahajan**

Proprietor

M. No 102526

**Steven Jeske**

Director

Place : Thane

Dated : August 13, 2013

Place : Oakbrook

Dated : August 8, 2013

<b>CYBERTECH MIDDLE EAST W.L.L., BAHRAIN</b>					
<b>STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2013</b>					
	NOTE NO.	For the year ended March 31, 2013		For the year ended March 31, 2012	
		Bahrain Dinars	₹	Bahrain Dinars	₹
<b>INCOME</b>					
Revenue from Operations		-	-	-	-
		-	-	-	-
<b>EXPENDITURE</b>					
Depreciation/Amortisation		<b>4,344</b>	<b>628,862</b>	4,344	559,322
Other Expenses	<b>11</b>	<b>562</b>	<b>81,358</b>	5,362	690,397
		<b>4,906</b>	<b>710,220</b>	9,706	1,249,719
<b>Profit / (Loss) before Tax</b>		<b>(4,906)</b>	<b>(710,220)</b>	(9,706)	(1,249,719)
Provision for Tax		-	-	-	-
<b>Profit / (Loss) after Tax</b>		<b>(4,906)</b>	<b>(710,220)</b>	(9,706)	(1,249,719)
Basic and Diluted Earnings per Share		<b>(4.25)</b>	<b>(616)</b>	(8.42)	(1,084)

Significant Accounting Policies and Notes on Financial Statements

1-15

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

As per our attached report of even date  
**For Hemant Mahajan & Associates**  
 Chartered Accountants  
 Firm Reg.No. 117419W

**For and on behalf of the Board of Directors**

**Hemant P Mahajan**  
 Proprietor  
 M. No 102526

**Steven Jeske**  
 Director

Place : Thane  
 Dated : August 13, 2013

Place : Oakbrook  
 Dated : August 8, 2013



**CYBERTECH MIDDLE EAST W.L.L. BAHRAIN  
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013**

	For the year ended March 31, 2013		For the year ended March 31, 2012	
	Bahrain Dinars	₹	Bahrain Dinars	₹
<b>A. Cash flow from Operating activities:</b>				
Net Profit (Loss) before tax and exceptional items :	(4,906)	(710,220)	(9,706)	(1,249,719)
Adjustments for :				
Depreciation	4,344	628,862	4,344	559,322
Effect of exchange rate change	-	146,963	-	327,541
	4,344	775,825	4,344	886,863
<b>Operating profit before Working Capital changes</b>	(562)	65,605	(5,362)	(362,856)
Adjustments for :				
Decrease/(Increase) in Trade & other receivables	-	-	-	-
Increase/(Decrease) Trade payables	562	81,332	5,362	739,168
	562	81,332	5,362	739,168
<b>Cash used in operations</b>	-	146,937	-	376,312
<b>Net cash used in operating activities</b>	-	146,937	-	376,312
<b>B. Cash flow from investing activities:</b>				
Increase/(Decrease) in Unsecured Loans	-	-	-	-
(Purchase)/Sale of fixed assets	-	-	-	-
<b>Net cash from investing activities</b>	-	-	-	-
<b>C. Cash flow from financing activities:</b>				
<b>Net cash used in financing activities</b>	-	-	-	-
<b>Net increase/(Decrease) in cash &amp; cash equivalents (a+b+c)</b>	-	146,937	-	376,312
Cash & cash equivalents (Opening)	21,399	2,949,916	21,399	2,573,604
Cash & cash equivalents (Closing)	21,399	3,096,853	21,399	2,949,916
	-	146,937	-	376,312

**Note**

- Cash and Cash equivalents includes :  
Balance with Scheduled Banks in Current Accounts 21,399    3,096,853    21,399    2,949,916
- The above Cash Flow Statement has been prepared under the Indirect Method as set out in Accounting Standard (AS) 3 on "Cash Flow Statements" as prescribed by Companies (Accounting Standards) Rules, 2006.
- The previous years' figures have been regrouped/rearranged wherever necessary.

As per our attached report of even date  
For **Hemant Mahajan & Associates**  
Chartered Accountants  
Firm Reg.No. 117419W

For and on behalf of the Board of Directors

**Hemant P. Mahajan**  
Proprietor  
M. No. 102526  
Place : Thane  
Dated : August 13, 2013

**Steven Jeske**  
Director  
Place : Oakbrook  
Dated : August 8, 2013

## CYBERTECH MIDDLE EAST W.L.L., BAHRAIN

### NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2013

#### 1.1 BACKGROUND

CYBERTECH MIDDLE EAST W.L.L (CME), is a limited liability company registered with the Directorate of Commerce and Company Affairs of the Kingdom of Bahrain on 14/08/2008. The registered address of the Company is Flat No 51, Building no 580, Road no 1706, Block 317, City Manama/DIPL Area. The certificate of registration was initially valid up to 14/08/2009 and renewable thereafter. The Company is a joint venture between CyberTech Systems and Software Limited (CSSL), a Company incorporated in India and Gold Coastway Ltd a Company registered in England. With CSSL holding 55% shares in the venture the balance 45% being held by Gold Coastway Ltd. The registered director, as required under applicable laws in the country of Bahrain was the nominee director from Gold Coastway Ltd. He was responsible for the operations of CME and had control over the day to day activities of the Company, including operation of bank accounts, control over assets and books of account. After a dispute arose among the JV partners, the nominee director has stopped providing information including information regarding the books of accounts and financial transactions of CME. CSSL has filed an action against the JV partner with the relevant authorities in the Kingdom of Bahrain to gain custodianship of the Company among the various other issues. These matters are still under dispute. However the Company is not Operational.

Inconsequence, CSSL has no access to the books of accounts, as of date of preparation of these financials. The holding company has attempted to reconstruct the Company's accounting records based on information and documents available to them and also based on the best estimates made by the directors representing CSSL in the JV, in situations that such estimates are required to be made.

#### 1.2 SIGNIFICANT ACCOUNTING POLICIES:

##### General:

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

##### Use of estimates:

The preparation of financial statements in conformity with Indian Generally Accepted Accounting Principles (GAAP) requires the management to make estimates and assumptions that affect the reported income and expenses and disclosure of contingent liabilities. The recognition, measurement, classification or disclosures of an item or information in the financial statements have been made relying on these estimates. Actual results may differ from these estimates. Any revision to the accounting estimates is recognized prospectively.

##### Revenue Recognition:

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

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

##### Fixed Assets and Depreciation / Amortisation:

Fixed assets are stated at cost of acquisition less accumulated depreciation/amortisation. Depreciation/amortisation is provided using the straight-line method over the estimated useful life as under :

Description of Assets	Estimated useful life
Computers	5 years
Equipments	5 years
Vehicles	5 years
Furniture & Fixtures	10 years

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

**CYBERTECH MIDDLE EAST W.L.L., BAHRAIN**  
**NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2013**

**Foreign Currency Translations:**

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

**Taxation:**

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

**Provisions, contingent liabilities and contingent assets:**

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

**1.3 NOTES ON ACCOUNTS:**

**1. General:**

The accounts have been prepared based on the basis of bank statements available with the Company up to 21st July 2010 and expense statements up to 31st December 2010. The accounts have been frozen at that date and balances carried forward. CSSL has made a best effort to obtain information from external affected parties. However CSSL was not successful in the effort. Hence the balances reflecting in the financial statements are subject to verification and confirmation. Balance in Bank accounts ( BHD 22,339) is the closing balance as on 21st July 2010, the last date for which bank statements are available with the CSSL. CSSL as a majority partner in the JV had requested the relevant banks for statements for the balance period. However, a reply from the bank in response to the requests is yet to be received. Unbilled revenue shown under other current assets (BHD 16,200) is as on 21st July 2010. It is considered good and receivable. Trade Receivables (BHD 192,516), Advance to suppliers (BHD 12,300), Trade Payables ( BHD 237,620) and Vehicle Loan from Bank ( BHD 3,467) is as on 21st July 2010. These are subject confirmation and there might be a material change at time of confirmation.

	As at March 31, 2013 Bahrain dinars	As at March 31, 2013 ₹	As at March 31, 2012 Bahrain dinars	As at March 31, 2012 ₹
<b>NOTE '2'</b>				
<b>SHARE CAPITAL</b>				
Authorised <b>3000</b> (Previous year 3000) Common Stock of BD 100 each.	<b>300,000</b>	<b>43,415,850</b>	300,000	41,355,900
	<b>300,000</b>	<b>43,415,850</b>	300,000	41,355,900
<b>Issued, Subscribed and Paid-Up</b>				
<b>1153</b> (Previous year 1153) Common Stock of 100 each; fully paid up	<b>115,300</b>	<b>16,686,158</b>	115,300	15,894,451
	<b>115,300</b>	<b>16,686,158</b>	115,300	15,894,451

**CYBERTECH MIDDLE EAST W.L.L., BAHRAIN**  
**NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2013**

**(a) Reconciliation of Share Capital**

	Face Value of BHD 100 each	
	Opening	Closing
<b>As at March 31, 2013</b>		
<b>No of shares</b>	1,153	1,153
<b>Amount in BHD</b>	115,300	115,300
<b>Amount in ₹*</b>	15,894,451	16,686,158

\*change is on account of reinstatement

	Face Value of BHD 100 each	
	Opening	Closing
As at March 31, 2012		
No of shares	1,153	1,153
Amount in BHD	115,300	115,300
Amount in ₹*	13,866,843	15,894,451

\*change is on account of reinstatement

**(b) Terms/rights attached to equity shares**

The Company has one class of common stock having par value of BHD 100 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of common stock will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

**(c) Shareholders holding more than 5% of the equity shares :**

	As at March 31, 2013		As at March 31, 2012	
	No of shares	%	No of shares	%
CyberTech Systems and Software Limited (Holding Company)	634	55	634	55
Gold Coast Way	519	45	519	45

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

<b>CYBERTECH MIDDLE EAST W.L.L., BAHRAIN</b>				
<b>NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2013</b>				
	As at March 31, 2013	As at March 31, 2013	As at March 31, 2012	As at March 31, 2012
	Bahrain dinars	₹	Bahrain dinars	₹
<b>NOTE '3</b>				
<b>RESERVES AND SURPLUS</b>				
<b>Surplus</b>				
Opening Balance	(95,498)	(12,262,112)	(85,792)	(11,012,393)
Profit after tax for the year transferred from Statement of Profit and Loss	(4,906)	(710,220)	(9,706)	(1,249,719)
Closing Balance	(100,404)	(12,972,332)	(95,498)	(12,262,112)
Foreign Currency Translation Reserve		(1,558,085)		(902,573)
	(100,404)	(14,530,417)	(95,498)	(13,164,685)
<b>NOTE 4'</b>				
<b>SHORT TERM BORROWINGS</b>				
Vehicle Loan from Bank	3,467	501,743	3,467	477,936
	3,467	501,743	3,467	477,936
<b>NOTE '5'</b>				
<b>TRADE PAYABLES</b>				
Others	225,582	32,646,114	225,020	31,019,682
Advance from customers	12,600	1,823,466	12,600	1,736,948
	238,182	34,469,580	237,620	32,756,630

**CYBERTECH MIDDLE EAST W.L.L., BAHRAIN  
NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2013**

**NOTE 6'  
FIXED ASSETS**

(Amount in Bahrain Dinars)

DESCRIPTION	GROSS BLOCK ( At Cost )			DEPRECIATION			NET BLOCK			
	As at 1-Apr-12	Additions during the year	Deductions/ Adjustments during the year	As at 31-Mar-13	Upto 31-Mar-12	for the year	On Deductions/ Adjustments	Upto 31-Mar-13	As at 31-Mar-13	As at 31-Mar-12
<b>TANGIBLE ASSETS</b>										
Computers	2,171	-	-	2,171	1,586	543	-	2,129	42	585
Furniture & Fixtures	21,578	-	-	21,578	7,373	2,158	-	9,531	12,047	14,205
Vehicles	6,704	-	-	6,704	3,500	1,341	-	4,841	1,863	3,204
Office Equipments	1,512	-	-	1,512	1,032	302	-	1,334	178	480
<b>Current Year Total</b>	<b>31,965</b>	-	-	<b>31,965</b>	<b>13,491</b>	<b>4,344</b>	-	<b>17,835</b>	<b>14,130</b>	<b>18,474</b>
Previous Year Total	31,965	-	-	31,965	9,147	4,344	-	13,491	18,474	

(Amount in ₹)

DESCRIPTION	GROSS BLOCK ( At Cost )			DEPRECIATION			NET BLOCK			
	As at 1-Apr-12	Additions during the year	Deductions/ Adjustments during the year	As at 31-Mar-13	Upto 31-Mar-12	for the year	On Deductions/ Adjustments	Upto 31-Mar-13	As at 31-Mar-13	As at 31-Mar-12
<b>TANGIBLE ASSETS</b>										
Computers	299,279	-	(14,907)	314,186	218,635	78,608	(10,865)	308,108	6,078	80,644
Furniture & Fixtures	2,974,592	-	(148,165)	3,122,757	1,016,390	312,404	(50,528)	1,379,322	1,743,435	1,958,202
Vehicles	924,167	-	(46,033)	970,200	482,486	194,131	(23,970)	700,587	269,613	441,681
Office Equipment	208,434	-	(10,382)	218,816	142,264	43,719	(7,073)	193,056	25,760	66,170
<b>Current Year Total</b>	<b>4,406,472</b>	-	<b>(219,487)</b>	<b>4,625,959</b>	<b>1,859,775</b>	<b>628,862</b>	<b>(92,436)</b>	<b>2,581,073</b>	<b>2,044,886</b>	<b>2,546,697</b>
Previous Year Total	3,844,350	-	(562,122)	4,406,472	1,100,087	559,322	(200,366)	1,859,775	2,546,697	



<b>CYBERTECH MIDDLE EAST W.L.L., BAHRAIN</b>				
<b>NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2013</b>				
	As at	As at	As at	As at
	March 31, 2013	March 31, 2013	March 31, 2012	March 31, 2012
	Bahrain dinars	₹	Bahrain dinars	₹
<b>NOTE '7'</b>				
<b>TRADE RECEIVABLES</b>				
<b>Unsecured, considered good unless stated otherwise</b>				
Outstanding for a period exceeding six months	-	-	-	-
Considered good	-	-	-	-
Considered doubtful	192,516	27,860,819	192,516	26,538,908
	192,516	27,860,819	192,516	26,538,908
<b>NOTE '8'</b>				
<b>CASH AND BANK BALANCES</b>				
<b>Bank Balances</b>				
With non-scheduled Bank				
- in Current Accounts	21,399	3,096,853	21,399	2,949,916
	21,399	3,096,853	21,399	2,949,916
<b>NOTE '9'</b>				
<b>SHORT TERM LOANS AND ADVANCES</b>				
(Unsecured ,Considered good)				
Advance to Suppliers	12,300	1,780,050	12,300	1,695,592
	12,300	1,780,050	12,300	1,695,592
<b>NOTE '10'</b>				
<b>OTHER CURRENT ASSETS</b>				
Unbilled Revenues	16,200	2,344,456	16,200	2,233,219
	16,200	2,344,456	16,200	2,233,219
	<b>For the year ended</b>		<b>For the year ended</b>	
	<b>March 31, 2013</b>		<b>March 31, 2012</b>	
	<b>Bahrain dinars</b>	<b>₹</b>	<b>Bahrain dinars</b>	<b>₹</b>
<b>NOTE '11'</b>				
<b>OTHER EXPENSES</b>				
Rent	-	-	4,800	618,035
<u>Audit Fees</u>				
Audit Fees	500	72,383	500	64,379
Service Tax	62	8,975	62	7,983
	562	81,358	562	72,362
	562	81,358	5,362	690,397

**CYBERTECH MIDDLE EAST W.L.L., BAHRAIN**  
**NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2013**

**NOTE '12'****SEGMENT REPORTING:**

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

**13 Earnings Per Share:**

	For the year ended March 31, 2013	For the year ended March 31, 2013	For the year ended March 31, 2012	For the year ended March 31, 2012
Profit /(Loss) attributable to the Shareholders	<b>BHD (4906)</b>	₹ (710,220)	BHD (9706)	₹ (1,249,719)
Weighted average number of Equity Shares outstanding during the year (Nos.)	<b>1153</b>	<b>1153</b>	1153	1153
Nominal Value of Equity Shares	<b>BHD 100</b>	<b>13,785</b>	BHD 100	13,785
Basic and Diluted Earnings Per Share (Not annualised)	<b>BHD (4.25)</b>	₹ (616)	BHD (8.42)	₹ (1084)

**14 Disclosure in respect of Related Party pursuant to Accounting Standard 18 are as under:**

## A. List of Related Parties:

## (1) Parties where control exists:

Holding Company

CyberTech Systems and Software Ltd., India

## (2) Fellow Subsidiary

CyberTech Systems Inc., USA

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

Particulars	Referred in (A)(1) above March 31, 2013	Referred in (A)(1) above March 31, 2013
	BHD	₹
2) Outstanding as at the year end Payable	<b>12,540</b> (12,540)	<b>1,728,677</b> (1,728,677)

**Note:**

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



**CYBERTECH MIDDLE EAST W.L.L., BAHRAIN**

**NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2013**

15 Previous years' figures have been re-grouped/re-arranged wherever necessary to conform to the current year's classification/presentation.

**For HEMANT MAHAJAN & ASSOCIATES**

*Chartered Accountants*

Firm Reg.No. 117419W

**CA.Hemant P. Mahajan**

*Proprietor*

M.No 102526

Place : Thane

Date : August 13, 2013

**For and on behalf of the Board of Directors**

**Steven Jeske**

Director

Place : Oakbrook, USA

Date : August 8, 2013

## EIGHTEENTH ANNUAL GENERAL MEETING



# CyberTech Systems and Software Limited

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

### PROXY FORM

# DP ID/Client-ID/Folio No.	No. of Shares

I / We \_\_\_\_\_  
of \_\_\_\_\_ in the district of \_\_\_\_\_  
being a member / members of CyberTech systems and Software Limited, appoint \_\_\_\_\_ of \_\_\_\_\_  
in the district of \_\_\_\_\_ or failing him, \_\_\_\_\_ of \_\_\_\_\_  
in the district of \_\_\_\_\_ as my / our proxy to vote for me / us and on my / our behalf at the Eighteenth  
Annual General Meeting of the Company to be held on Monday, September 30, 2013 at the Registered Office of the Company  
at 'CyberTech House', Plot No. B-63/64/65, Road No. 21/34, J. B. Sawant Marg, MIDC, Wagle Estate, Thane (West) 400 604 at  
4 p.m. and at any adjournment thereof.

Revenue  
Stamp

Signed by

Note: This form duly completed should be deposited at the Registered Office of the Company before 48 hours of the meeting.  
# Applicable for investors holding shares in electronic form.



# CyberTech Systems and Software Limited

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

### ADMISSION SLIP

**DATE :**  
Monday, September 30, 2013

**VENUE :**  
Plot No. B-63/64/65, Road No. 21/34,  
J. B. Sawant Marg, MIDC,  
Wagle Estate, Thane (West), 400 604

**TIME :**  
4 P.M.

# DP ID/Client-ID/Folio No.	No. of Shares

I hereby record my presence at the Eighteenth Annual General Meeting of the Company on Monday, September 30, 2013.  
Please tick in the appropriate box.

Member     Proxy

Name of the Proxy in Block Letter

Member's Signature

Proxy's Signature

Please bring this attendance slip to the Meeting.

# Applicable for investors holding shares in Electronic Form.

**B00K-POST**



If undelivered, please return to:

**'CyberTech House'**

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

<http://india.cybertech.com>