CyberTech
Systems and Software Ltd.

REGD. OFFICE : 'CyberTech House', Plot No. B-63/64/65, Road # 21/34, J. B. Sawant Marg, MIDC, Wagle Estate, Thane - 400 604
• Tel : +91-22-2583 4643 / 44 / 45 • Fax : +91-22-2583 2574
• CIN L72100MH1995PLC084788 • E-mail : cssl.investors@cybertech.com • Website : www.cybertech.com

To **BSE Limited** Listing Department, Phiroze Jeejeebhoy Towers Dalal Street Mumbai-400 001 **Scrip Code: 532173**	To **National Stock Exchange of India Ltd.** Exchange Plaza, Plot No. C/1, G Block, Bandra Kurla Complex Bandra (East) Mumbai - 400 051 **Symbol: CYBERTECH**

Dear Sir/Madam,

Sub: Submission of Annual Report – FY 2017-18
Ref: Regulation 34 of SEBI (listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the Annual Report of the Company for the Financial Year ended March 31, 2018, which has been duly approved and adopted by the Members as per the provisions of the Companies Act, 2013 at the Twenty Third (23rd) Annual General Meeting of the Company held on Friday, the 28th day of September, 2018.
Kindly take the same on record.

Thanking you,

Yours faithfully,

For **CYBERTECH SYSTEMS AND SOFTWARE LIMITED**

Sarita

Sarita Leelaramani
Company Secretary and Compliance Officer
Membership No.: A35587

CYBERTECH SYSTEMS AND SOFTWARE LTD. THANE

Date: September 28, 2018
Place: Thane

Encl.: Annual Report FY 2017-18

CyberTech
Systems and Software Limited

23rd ANNUAL REPORT 2017-2018



spatialitics™ Health

spatialitics™ Utilities

GeoShield™ PUBLIC SAFETY SOLUTIONS

GEOCIVIC®

CyberTech
Systems and Software Limited

Corporate Information

Corporate Identity Number (CIN) L72100MH1995PLC084788

BOARD OF DIRECTORS

Chairman	**(Non–Executive)**
Mr. Vish Tadimety	
Directors	
Mr. Sudhir Joshi	(Independent)
Mr. M. P. Bharucha	(Independent)
Dr. N. L. Sarda	(Independent)
Dr. Shreepad Karmalkar	(Independent)
Ms. Angela C. Wilcox **(w.e.f. 13/02/2018)**	(Independent)
Mr. Wim Elfrink	(Non-Executive)
Mr. Steven Jeske	(Non-Executive)
Mr. Ramasubramanian S.	(Executive)
Ms. Amogha Tadimety	(Non-Executive)

KEY MANAGERIAL PERSONNEL

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

AUDITORS

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

REGISTRAR & SHARE TRANSFER AGENT

M/s. Link Intime India Private Ltd.

C 101, 247 Park, L.B.S Marg,
Vikhroli (West), Mumbai - 400083

C- 022-491 86000 | F - 022-491 86060
mumbai@linkintime.co.in
www.linkintime.co.in

REGISTERED OFFICE

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

SOLICITORS

M/s. Bharucha & Partners, Mumbai

LISTED AT

National Stock Exchange of India Ltd.
BSE Ltd.

BANKERS

Union Bank of India

WHOLLY OWNED SUBSIDIARIES

CyberTech Systems and Software Inc. USA
3800 Horizon Blvd, Suite #104,
Trevose, PA 19053, USA
E-mail ID: info@cybertech.com
Website: www.cybertech.com

Spatialitics LLC, Delaware, USA **(w.e.f. 01/04/2018)**
1301 West 22nd Street, Suite 308
Oak Brook, IL 60523, USA
E-mail ID: info@spatialitics.com
Website: www.spatialitics.com

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CyberTech
Systems and Software Limited

LETTER TO SHAREHOLDERS

Dear Fellow Shareholders,

I am pleased to share my thoughts with you on the overall performance of our company for the Financial year 2018 (April 2017-March 2018). This was the year of substantial directional change for CyberTech which is not adequately represented just in our financial results. The Company is directionally moving from an "IT Services only firm" into a 'Geospatial Platform and Solutions Provider" space. We have elected to make substantial investments in senior people, IT systems and software platform development to help achieve this goal. I believe we have an opportunity to be the leader in next-generation spatial analytics and we have the partnerships with the World's leader in this space, ESRI®.

Financial Results

Let me first share key financial highlights of FY18 with you:

- Our total revenue stood at ₹952.1 million in FY18 in rupee terms. This is a small reduction from ₹973.9 million in FY17. This was primarily because of reduction in GeoCivic India business. Please note that our revenue grew at a CAGR of 11.1% from FY16 to FY18
- Our EBITDA for FY18 was at ₹114 million (12.0% of total revenue) versus ₹ 187 million in FY 17. This net effect of ₹73 million was due to extraordinary items (Interest on income-tax refunds) in FY 17 and in FY 18 had a provision for doubtful debts of GeoCivic. Despite these impacts, the EBITDA grew at a CAGR of 12.4% from FY16 to FY18.
- Our net income for FY 18 was ₹ 32.8 million versus Rs 94.1 million in FY 17
- In the 4th quarter of FY 18, the above results were discussed. We continue to have a strong balance sheet with reliable long term profit streams and no debt.
- Our US based business maintained growth of 10% for the year, while India based operations decreased as a result of the decision to eliminate new services relating to GeoCivic and focus on software sales through channel partners.
- Board of Directors recommended a dividend of Re.1/- per equity share for FY18.

We have seen growth in USA business since we increased our focus on spatial analytics platforms. US business revenue grew by 25% compared to FY15-16. However, this growth and profits were partially offset during the year by costs and reductions in India Led GeoCivic revenue.

Spatialitics, LLC.

In line with the strategy to invest in the development of Cloud-based Spatial Analytics Platforms, we incorporated Spatialitics LLC, a new wholly owned subsidiary of CyberTech in Delaware (US). This strategic step will help us focus on growth opportunities in the US market related to Solutions and Platforms for Spatial Analytics and to hold our Intellectual Property created in connection with these activities. With our Spatial Analytics platform, our focus is to make our products available and sold through our strategic and channel partners.

Our software Platform GeoShield, CyberServe Utilities and Health will move into the Spatialitics umbrella. They will be rebranded and developed around a common fabric architecture and ESRI® technologies. I am excited about the opportunities ahead for us, please see http://www.sptialitics.com.

We continue to work with our strategic partners – Cisco®, Microsoft®, ESRI® and SAP®. During the year, we signed an OEM partnership with ESRI® for our Public Safety Platform - GeoShield. Several other such relationships are in the pipeline. Our partnerships and alliances are the key growth driver in Company's future growth.

During the year, the Company hired proven senior professionals for the Products and Platform business. This will augment the transformation and development of CyberTech's spatial analytics platform. This expertise will help us strengthen our platform architecture and make our offerings next-gen and IoT ready and open new channel models.

Business Status

CyberTech's Software Application Development and Application Management Outsourcing (AMO) groups are executing flawlessly. The leaders of this team are committed long term players and grow their business YoY. CyberTech's SAP® and S/4HANA practices continue to be one the largest opportunities for the Company. We have strengthened our SAP® team and created focused areas around SAP® Cloud Platforms and S/4HANA. I am working with SAP® senior leadership to strengthen our relation to further our business interests. This line of business is generating steady profits for the Company that allows us investing in Spatialitics. In FY18, we participated and co-sponsored the Geospatial World Forum 2018 Conference and showcased our Geospatial platforms and solutions for smart Cities. We also participated in Sapphire 2018, largest SAP® user event. We presented our Healthcare Analytics Platform CyberServe for Population Health in ESRI® UC 2018.

According to GeoBuiz 2018 report, the global geospatial industry is growing steadily mainly driven by rising democratization of geospatial information and its integration with digital technologies. New emerging technologies like Cloud, IoT, Big Data, Artificial intelligence and Blockchain are playing multiplier roles in expanding the business portfolio of the geospatial industry. Your Company has rightly set a path in this transitioning phase.

Shri A.V. Rajwade's contributions

Shri A.V. Rajwade (AVR) passed away in February this year. He was a giant who taught me and helped CyberTech with passion. He was a teacher at heart, a guru at ForEx and risk management and a man of great detail. I have had the opportunity to work with some great people. The most noticeable difference between them and AVR was his focus on excellence. No small thing matter missed his sight while he was firmly focused on the corporate big picture. I never had a better mentor in my life. CyberTech and I will miss his counsel, warmth and friendship.

Other matters

As the largest shareholder, I am pleased at the overall status of our business. The intrinisic value of our company is substantial. Our US business continues to grow and is more profitable. Our customers are giving us more work and our partners SAP® and ESRI® are behind CyberTech. Our SAP® and AMO business are growing. Our future is in Spatial Analytics and as a platform led company.

The Company adheres to high level of transparency and corporate governance. We have an eminent Board of Directors such as Mr.Sudhir Joshi, Dr.N.L.Sarda, Dr.Shreepad Karmalkar, Mr.M.P.Bharucha, Mr. Wim Elfrink and Ms. Amogha Tadimety. This year we have a new inclusion to our Board, Ms. Angel Wilcox Esq. Ms. Wilcox is an IP and trademark attorney and am pleased to have her accept the position.I am grateful for their association with CyberTech and me. I would like to thank M/s. Vispi Patel and Associates, Chartered Accountants for their valuable help. I thank Mr.M.P.Bharucha Esq. of M/s. Bharucha and Partners for his friendship, help and counsel. I thank Shri.B.V.Goud, my Special Advisor, for his help to our Company.

I would like to thank all our shareholders, customers and employees, who have reposed trust in us and look forward to your continued support to help keep the company on the growth path in the coming years.

With regards,

Vish Tadimety
Chairman

Trevose, PA, USA
August 13, 2018

NOTICE

NOTICE is hereby given that the **Twenty-third (23rd)** Annual General Meeting (**AGM**) of the members of **CyberTech Systems and Software Limited ('the Company/CyberTech')** will be held on Friday, September 28, 2018 at 04.00 P.M. at the Registered Office of the Company situated at CyberTech House, Plot No. B-63/64/65, Road No. 21/34, J.B. Sawant Marg, MIDC, Wagle Estate, Thane – 400 604 to transact the following businesses:

ORDINARY BUSINESS:

1. To consider and adopt the Audited (Standalone and Consolidated) Financial Statements of the Company for the Financial Year ended March 31, 2018, together with the reports of the Board of Directors and Auditors thereon.

2. To declare a dividend of Re.1/- per Equity Share of face value of ₹10/- each for the Financial Year 2017-18.

3. To appoint a Director in place of Mr. Steven Jeske (DIN: 01964333), who retires by rotation and being eligible, offers himself for re-appointment.

4. To ratify the appointment of M/s. Bagaria & Co., LLP, Chartered Accountants (Firm Registration No. 113447W) as Statutory Auditors of the Company and in this regard to consider and pass the following resolution, as an **Ordinary Resolution:**

   "**RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Companies (Audit and Auditors) Rules, 2014 including any statutory modification(s) or amendment(s) thereto or re-enactment thereof and further to the resolution passed by the Members at the 22nd Annual General Meeting held on September 28, 2017, approving the appointment of M/s. Bagaria & Co. LLP, Chartered Accountants (Firm Registration No. 113447W), as the Statutory Auditors of the Company for a period of 5 (Five) consecutive Financial Years commencing from the conclusion of 22nd Annual General Meeting till the conclusion of the 27th Annual General Meeting to be held in the year 2022, the holding of office by M/s. Bagaria & Co. LLP, Chartered Accountants, Mumbai, as the Statutory Auditors of the Company for the Financial Year 2018-19 be and is hereby ratified on such remuneration as may be fixed by the Board of Directors of the Company."

   "RESOLVED FURTHER THAT pursuant to notification of applicable provisions of the Companies (Amendment) Act, 2017 with effect from May 07, 2018 by the Ministry of Corporate Affairs, the Company shall not be required to seek the ratification of the shareholders for the appointment of Statutory Auditors till the conclusion of the 27th Annual General Meeting of the Company."

SPECIAL BUSINESS:

5. **To appoint Ms. Angela C. Wilcox (DIN: 08068715) as an Independent Director of the Company:**

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

   "RESOLVED THAT pursuant to Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and other applicable Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, read with Schedule IV to the Act, the appointment of Ms. Angela C. Wilcox (DIN:08068715) who was appointed as an Additional Director of the Company under Section 161 of the Act with effect from February 13, 2018, and holds office up to the date of this Annual General Meeting of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing her candidature to the office of the Director of the Company, be and is hereby appointed as an Independent Director of the Company for period of 5 (five) consecutive years, not liable to retire by rotation and to hold the office for a period upto February 12, 2023."

6. **To re-appoint Mr. Ramasubramanian Sankaran (DIN:05350841) as an Executive Director of the Company and to approve his remuneration:**

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

   "**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, the Company hereby approves the re-appointment of Mr. Ramasubramanian Sankaran (DIN: 05350841) as a Whole Time Director designated as Executive Director of the Company for a period of 3 (three) years effective from August 04, 2018, at such remuneration and on the terms and conditions, as per the Explanatory Statement attached to this notice, with liberty to the Board of Directors to vary, amend and/or revise the remuneration within the maximum ceiling and the terms and conditions of the re-appointment in accordance with the provisions of the Act, and as may be agreed to between the Board of Directors and Mr. Ramasubramanian Sankaran."

   "**RESOLVED FURTHER THAT** during the tenure of the appointment as an Executive Director, Mr. Ramasubramanian S. shall not be liable to retire by rotation."

7. **To increase the aggregate limit of investment by Foreign Portfolio Investors in the Share Capital of the Company:**

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

   "RESOLVED THAT pursuant to applicable provisions of Foreign Exchange Management Act, 1999, as amended ("FEMA"), Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 as amended up to date, the current Consolidated Foreign Direct Investment Policy Circular of 2017, the Companies Act, 2013 as amended from time to time, applicable Regulations of Securities and Exchange Board of

India ("SEBI"), as the case may be and all other applicable laws, rules, regulations, provisions and guidelines (including any statutory modifications or re-enactments thereof for the time being in force) and subject to all applicable approvals, permissions and sanctions of the Foreign Investment Promotion Board, the Reserve Bank of India, Ministry of Finance, Ministry of Corporate Affairs, Government of India, SEBI and other concerned authorities and subject to such conditions as may be prescribed by any of the said concerned authorities while granting such approvals, permissions or sanctions, which may be agreed to by the Board of Directors of the Company (Board which term shall include any Committee thereof which the Board may have constituted or hereafter constitute to exercise its powers including the powers conferred by this Resolution) the limit of investment by Foreign Portfolio Investors [as defined under the SEBI (Foreign Portfolio Investors) Regulations, 2014, as amended] in the Equity Shares of the Company under FEMA, be and is hereby increased from 24% (twenty four percent) to 49% (forty nine percent) of the paid-up Equity Share capital of the Company."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds and things and execute all documents or writings as may be necessary, proper or expedient for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto including intimating the concerned authorities or other regulatory bodies and to represent the Company before any government authorities and delegating all or any of the power conferred herein to any Committee or Directors of the Company."

8. **To Increase the aggregate limit of investment by Non Resident Indians/OCI in Share Capital of the Company:**

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

"RESOLVED THAT pursuant to applicable provisions of Foreign Exchange Management Act, 1999, as amended ("FEMA"), Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 as amended up to date, the current Consolidated Foreign Direct Investment Policy Circular of 2017, the Companies Act, 2013 as amended from time to time, applicable Regulations of Securities and Exchange Board of India ("SEBI"), as the case may be and all other applicable laws, rules, regulations, provisions and guidelines (including any statutory modifications or re-enactments thereof for the time being in force) and subject to all applicable approvals, permissions and sanctions of the Foreign Investment Promotion Board, the Reserve Bank of India, Ministry of Finance, Ministry of Corporate Affairs, Government of India, SEBI and other concerned authorities and subject to such conditions as may be prescribed by any of the said concerned authorities while granting such approvals, permissions or sanctions, which may be agreed to by the Board of Directors of the Company (Board which term shall include any Committee thereof which the Board may have constituted or hereafter constitute to exercise its powers including the powers conferred by this Resolution) the limit of investment by Non-Resident Indians/OCI (as defined under FEMA) in the Equity Shares of the Company under the Portfolio Investment Scheme under FEMA, be and is hereby increased from 10% (ten percent) to 24% (twenty four percent) of the paid-up Equity Share capital of the Company or such other higher limit from time to time as may be prescribed by such other authority ."

"RESOLVED FURTHER THAT the Board of Directors of the company be and are hereby authorized to do all such acts, deeds and things and execute all documents or writings as may be necessary, proper or expedient for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto including intimating the concerned authorities or other regulatory bodies and to represent the company before any government authorities and delegating all or any of the power conferred herein to any Committee or Directors of the Company."

By Order of the Board of Directors

sd/-

Sarita Leelaramani
Company Secretary and Compliance Officer
Membership No. A35587

Place: Thane
Date: August 13, 2018

Registered Office:
CyberTech House, Plot No. B-63/64/65
Road No. 21/34, J.B. Sawant Marg, MIDC
Wagle Estate, Thane (W) – 400 604
CIN: L72100MH1995PLC084788
Tel.: 91 22 25834643/44/45 Fax: 91 22 25832574
Website: www.cybertech.com
E-mail: cssl.investors@cybertech.com

NOTES:

1. M/s. Bagaria & Co. LLP, Chartered Accountants (Firm Registration No. 113447W/W-100019), were appointed as the Statutory Auditor of the Company to hold the office for a period of five (5) consecutive years commencing from the conclusion of the 22nd Annual General Meeting held on September 28, 2017, subject to ratification by the members at every Annual General Meeting. Further, pursuant to the notification of Section 40 of the Companies (Amendment) Act, 2017, with effect from May 7, 2018, the requirement of ratification of the appointment of Statutory Auditors by the members is no longer required. However, as matter of abundant precaution, the ratification by the members is being sought this year at Item No. 4 of the Notice. Taking into consideration this recent amendment, the annual ratification will not be sought next year onwards till the expiry of the term of the Statutory Auditors i.e. till the conclusion of 27th AGM of the Company.

2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL, VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as a proxy on behalf of not exceeding fifty (50) members and holding in aggregate not more than ten (10) per cent of the total paid-up share capital of the Company. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. The holder of proxy shall prove his identity at the time of attending the Meeting.

3. **PROXY FORM DULY STAMPED AND EXECUTED IN ORDER TO BE EFFECTIVE, MUST REACH AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME OF COMMENCEMENT OF THE ANNUAL GENERAL MEETING.**

4. Corporate Members intending to send their authorized representative to attend the meeting are requested to send to the Registered Office of the Company a certified copy of the Board Resolution, authorizing their representative to attend and vote on their behalf at the meeting.

5. In terms of Section 152 of the Companies Act, 2013, Mr. Steven Jeske (DIN: 01964333), retires by rotation at the Meeting and being eligible, offers himself for re-appointment. Details of Director retiring by rotation as required pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India are provided under **Note No. 30** below.

6. Explanatory statement pursuant to Section 102 of the Companies Act, 2013, for Item No. 5 to Item No. 8 is annexed and forms part of this notice.

7. If the Dividend, as recommended by the Board of Directors, is approved at the Annual General Meeting, payment of such dividend will be made on or before Friday, October 26, 2018 as under:

   i. To all Beneficial Owners in respect of shares held in the dematerialized form as per the data as may be made available by the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) as of the close of the business hours on Friday, September 21, 2018;

   ii. To all Members in respect of shares held in physical form after giving effect to valid transfers in respect of transfer requests lodged with the Company on or before the close of business hours on Friday, September 21, 2018.

8. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three (3) days of notice in writing is given to the Company.

9. Members/Proxy holders/authorized representatives should bring the duly filled Attendance Slip.

10. The Register of Directors and Key Managerial Persons and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the Members at the AGM.

11. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.

12. Pursuant to the provisions of Section 72 of the Companies Act, 2013, Members holding shares in physical form and desirous of making nomination in respect of their shareholding in the Company are requested to submit details to the Registrar and Share Transfer Agent, M/s. Link Intime India Private Limited, Mumbai, in the prescribed Form SH – 13. Members holding shares in demat form may contact their respective DP for recording of nomination.

13. SEBI has vide gazette notification dated June 8, 2018, has mandated that transfer of securities would be carried out in dematerialized form only, pursuant to an amendment in Regulation 40 of the Listing Regulations which will come into effect from December 5, 2018. According to the aforesaid notification, request for effecting transfer of securities shall not be processed unless the securities are held in the Dematerialized form with the depository with effect from December 5, 2018.

14. **Please note that pursuant to aforesaid SEBI notification in point no. 13, Link Intime India Pvt. Ltd., our Registrar and Transfer Agent and Company will not accept any request for transfer of shares in physical form with effect from December 5, 2018. This restriction shall not be applicable to the request received for transmission or transposition of physical shares unless SEBI notifies anything in contrary thereto.**

15. **Members holding shares in physical form are requested to advise any change in their registered address, to the Company's Registrar and Share Transfer Agent, M/s. Link Intime India Private Limited, Mumbai, quoting their folio number. Members holding shares in electronic form are requested to intimate about change of address or bank particulars to their respective Depository Participant and not to the Company. The Members are encouraged to utilize the Electronic Clearing System (ECS) for receiving dividends.**

16. In case of joint holders attending the meeting the Members whose name appears as the first holders in the order of names as per the register of Members of the Company will be entitled to vote.

17. Members desiring any information on the Accounts of the Company are requested to write/fax to the Company at cssl.investors@cybertech.com / 022 -25834643 at least 10 days in advance so as to enable the Company to keep the information ready.

18. In all correspondence with the Company or with its Registrar & Share Transfer Agent, members are requested to quote their folio number, and in case the shares are held in dematerialized form, they must quote their DP Id & Client Id.

19. The Register of Members and Share Transfer Books of the Company shall remain closed from **September 22, 2018 to September 28, 2018 (both days inclusive)** for the purpose of 23rd AGM and payment of dividend.

20. Additional information, pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of the Directors seeking appointment/re-appointment at the AGM is furnished hereunder. The Directors have furnished consent / declaration for their appointment/re-appointment as required under the Companies Act, 2013 and Rules thereunder.

21. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form are required to submit their PAN details to the RTA of the Company.

22. Members may also note that the Notice of the 23rd AGM and the Annual Report 2017-18 is available on the Company's website: http://www.cybertech.com/investors/ keyfinancialresults.aspx. The physical copies of the documents referred to in the Notice will be available for inspection by the members at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on all working days except Saturday & Sunday, up to the date of Annual General Meeting. Members who require communication in physical copies, in addition to e-communication, or have any other queries, may write to us at cssl.investors@cybertech.com

23. The Investors, who have not yet encashed / claimed the Dividend, are requested to encash/claim the Dividend by corresponding with the Registrar and Share Transfer Agents and Company Secretary of the Company. Members are requested to note that dividend not claimed within 7 (seven) years from the date of transfer to the Company's Unpaid Dividend Account, will in terms of Section 124 of the Companies Act, 2013, be transferred to the "Investor Education and Protection Fund" (IEPF). The details of unclaimed/unpaid dividend are placed on the website of the Company http://www.cybertech.com/investors/unclaimeddividend.aspx.

24. Investors holding the shares in physical form should provide the National Electronic Clearing Service (NECS) mandate to the Company's R&TA and investors holding the shares in demat form should ensure that correct and updated particulars of their bank account are available with the Depository Participant (DP). This would facilitate in receiving direct credits of dividends, refunds etc., from Company and avoid postal delays and loss in transit. Investors must update their new bank account numbers allotted after implementation of Core Banking Solution (CBS) to the Company's R&TA in case of shares held in physical form and to the DP in case of shares held in demat form.

25. To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with Link Intime India Pvt. Ltd./Depositories.

26. The Annual Report 2017-18 is being sent through electronic mode only to the members whose email address are registered with the Company / Depository Participant(s), unless any member has requested for a physical copy of the Report. For members who have not registered their email address, physical copies of the Annual Report 2017-18 are being sent by the permitted mode.

27. In compliance with Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended from time to time), and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has provided a facility to the members to exercise their votes electronically through electronic voting service facility arranged by Central Depository Services (India) Limited. The facility for voting, through Ballot Paper, will be also made available at the AGM and the members attending the AGM who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through ballot paper. Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again. The instructions for e-voting are annexed to the Notice.

28. The Notice of the 23rd AGM and instructions for e-voting and Proxy form is being sent through electronic mode to all members whose email address are registered with the Company / Depository Participant/(s), unless any member has requested for a physical copy of the same. For members who have not registered their email address, physical copies of the documents are being sent by the permitted mode. Attendance Slip shall be available at the entrance of the AGM Venue, it shall also be made available on the website of the company: http://www.cybertech.com/investors/annualReports.aspx

29. Transfer of unclaimed/Unpaid amounts to the Investor Education and Protection Fund (IEPF):

Pursuant to Section 125 and other applicable provisions, if any, of the Companies Act, 2013, all unclaimed/unpaid dividends, remaining unclaimed/ unpaid for a period of seven years from the date they became due for payment, in relation to the Company have been transferred to the IEPF established by the Central Government.

No claim shall lie against the IEPF or the Company for the amounts so transferred, nor shall any payment be made in respect of such claim.

Members who have not yet encashed their dividend warrant(s) pertaining to the Dividend for the Financial Year 2011-12, onwards are requested to make their claims without any delay to Company or Link Intime India Pvt. Ltd. It may be noted that the unclaimed Final Dividend for the Financial Year 2010-11 declared by the Company on September 30, 2011 can be claimed by the shareholders on or before September 30, 2018.

30. Information required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 (SS-2) with respect to the Director, seeking appointment/re-appointment is as under:

Name of the Director	**Steven Jeske**	**Angela C. Wilcox**
Director Identification No. (DIN)	01964333	08068715
Date of Birth	09/12/1952	01/10/1974
Age	65	43
Date of Appointment	22/12/2007	13/02/2018
Brief Resume of the Director including nature of expertise in specific functional areas	Steven Jeske is a serial entrepreneur having been involved in the formation, financing and growth of several high profile start-ups. He is a CPA, former manager at PWC and holds an undergraduate degree in accounting from the University of Illinois and a Masters of Business Administration degree from the University of Chicago. He has been involved in strategy and financing decisions, including building several promising technology practice areas such as Internet working and Geospatial Solutions to substantial size and scale.	Ms. Wilcox is a Legal Counsel based in Chicago, USA with specialization in Trademark and Copyright. She has provided trademark and copyright counsel to her clients in areas such as brand and corporate name research, acquisition, prosecution, protection and litigation for more than 15 years. Currently Ms. Wilcox is a Partner in Vanek, Vickers & Masini, PC, Law firm based in Illinois, Chicago, USA
No. of shares held in the Company as on March 31, 2018	24,31,433 (8.87%)	NIL
Directorships (Excluding alternate d irectorship, foreign companies and companies under Section 8 of the Companies Act, 2013)	NIL	NIL
Chairman/Member of the below mentioned committees of the Board of Directors as on March 31, 2018	NIL	NIL
A. Audit Committee	-	-
B. Stakeholders Relationship Committee	-	-
Number of Board Meeting attended during the year#	4	NIL Since appointed w.e.f February 13, 2018
Inter se relationship between the Directors	NIL	NIL

#Mr. Steven Jeske has attended in person and/or through audio visual means

31. Route Map to the venue of AGM is annexed as per Secretarial Standard -2

INSTRUCTIONS FOR E-VOTING

The instructions for shareholders voting electronically are as under:

(i) The voting period begins on **Tuesday**, September 25, 2018 at 9.00 a.m. and ends on **Thursday,** September 27, 2018 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on Friday, September 21, 2018, (cut-off date) may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) The shareholders should log on to the e-voting website www.evotingindia.com.

(iii) Click on "Shareholders" tab.

(iv) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(v) Next enter the Image Verification as displayed and Click on Login.

(vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) * Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name name and the last 8 digits of the demat account/ folio number in the PAN field. In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg: If your name is Ramesh Kumar with folio number 100 then enter RA000000100 in the PAN field.
Date of Birth (DOB)	Enter the DOB as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio. • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvii) If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com. **The result declared along with the Scrutinizer's report shall be placed on the website of the Company www.cybertech.com and shall simultaneously be communicated to the Stock Exchanges.**

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

Item No. 5

The Board of Directors has appointed Ms. Angela C. Wilcox (DIN: 08068715), as an Additional Director (Non-Executive and Independent) of the Company with effect from February 13, 2018, on the recommendation of the Nomination and Remuneration Committee. As per the provisions of Section 161(1) of the Act, she holds the office of Additional Director only up to the date of this Annual General Meeting of the Company, and is eligible for appointment as a Director (Non-Executive and Independent) of the Company for a term of 5 (Five) years with effect from February 13, 2018 and is not liable to retire by rotation. The Company has received a notice under Section 160(1) of the Act proposing her candidature to the office of Director of the Company.

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

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

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

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

The Board of Directors of your Company recommends the resolution as set out under Item No. 5, for the approval of the shareholders of the Company, to be passed as an Ordinary Resolution.

Item No. 6

Keeping in view the vast experience and expertise of Mr. Ramasubramanian Sankaran, Executive Director, in IT Industry, commercial negotiations and his involvement in day to day operations of the Company, the Board of Directors at their Meeting held on May 09, 2018, has proposed his re-appointment as an Executive Director for period of 3 (Three) Years with effect from August 04, 2018 subject to approval of the Members of the Company on the terms and conditions and remuneration within the maximum ceilings as per Section II of Part II of Schedule V to the Companies Act, 2013, as set out herein below:

I. Salary: Not exceeding ₹ 4,10,000/- per month and Reimbursements, with such annual increment as may be decided by Board of Directors.

II. Performance Linked Incentive: Mr. Ramasubramanian Sankaran shall also be entitled to performance linked incentive based on the specific goals mutually set and approved by the Board of Directors or any committee of Directors from time to time.

III. Perquisites & Allowances: Perquisites are classified into three parts A, B and C as follows:

Part A:

i. Medical Reimbursement: Expenses incurred for self and family incurred in accordance with the rules of the Company.

ii. Leave Travel Allowance: For self and family once in a year incurred in accordance with the rules of the Company.

iii. Fees of clubs: Subject to a maximum of two clubs excluding admission and Life Membership Fees, if any approved by the Board of Directors.

iv. Personal Accident Insurance: The amount of the annual premium at actual if any approved by the Board of Directors.

Part B:

Contribution to provident fund, superannuation fund or annuity fund will not be included in computation of ceiling on perquisite to the extent that these either singly or put together are not taxable under the Income Tax Act.

Gratuity: Gratuity payable shall be in accordance with the Company's Scheme as may be applicable or amended from time to time. He shall be entitled to 24 days leave with full salary for every 12 months of service or part thereof, encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites.

Part C:

The Company shall provide a Car with driver, and mobile, telephone, communication facilities at residence of Executive Director. Provision of Car for use of the Company's business and telephone, communication facilities at residence will not be considered as perquisites. Personal Long distance call and use of car for private purpose shall be billed by Company on the Executive Director.

OTHERS

Mr. Ramasubramanian Sankaran shall be entitled to reimbursement of expenses, entertainment, travelling expenses, boarding and lodging and all other incidental expenses in connection with and for the business of Company in India and abroad and will not be deemed/treated as a perquisite. Perquisites shall be evaluated as per Income Tax Rules, wherever applicable or at actual cost.

ESOP:

The Members have approved the ESOP Scheme 2014 vide Special Resolution passed at the Nineteenth Annual General Meeting held on Tuesday, September 30, 2014 authorizing the Board of Directors to issue/grant to any single Employee (including any non-executive or Independent Director) during any one year less than 1 % of the issued and paid up Equity Shares of the Company i.e., upto 2,65,21,343 Equity Shares, provided however that the aggregate Securities issued/granted to all the Employees/other persons under the ESOS shall not exceed (5%) five per cent of the existing paid-up Share Capital of the Company as on September 30, 2014, i.e. up to 13,26,067 Equity Shares of the Company. The Board allotted on the basis of the recommendation of the NRC the following ESOPs to Mr. Ramasubramanian S., during his Employment as General Manager (Accounts) and as a Director in whole-time employment, as per details given below:

ESOP Details	**FY 2017-18**
Outstanding at the beginning	**700,000**
Add: Granted during the year	**-**
Less: Exercised during the year	**50,000**
Less: Forfeited/Surrendred during the year	**200,000**
Outstanding as at the end	**450,000**
Details of options Exercised during the year:	
Exercised during the year	**50000**
Exercise price	**11.34**
Amount paid	**₹ 567,000/-**
Perquisite value of Options exercised	**₹ 2,041,750/-**

Minimum Remuneration:

Pursuant to the proviso to clause (A) of Section II of Part II of Schedule V to the Companies Act, 2013, if the resolution approving the re-appointment of and remuneration payable to the Executive Director (in whole-time employment) is passed by the members by way of a special resolution, the maximum ceiling on remuneration mentioned above would be doubled. Considering Mr. Ramasubramanian Sankaran contribution to the Company, it is proposed to pass the resolution as a special resolution for a maximum remuneration up to ₹ 168 Lakhs p.a. to be paid to him, considering the effective capital of the Company is more than ₹ 5 Crores but less than ₹ 100 Crores as per Balance Sheet for the year ended March 31, 2018 subject to approval of Nomination and Remuneration Committee and the Board of Directors of the Company. Perquisites shall be evaluated as per Income Tax Rules, wherever applicable or at actual cost. The scope and quantum of remuneration and perquisites specified above herein may be enhanced, enlarged, widened, altered or varied by the Board of Directors in the light of and in conformity of the Companies Act and or/ the rules and regulations made thereunder and/ or such guidelines as may be announced by Central Government from time to time.

The following additional information as required by Section II of Part II of Schedule V to the Companies Act, 2013 is given below:

I. General Information:

1) **Nature of Industry:**

Information Technology

2) **Date or expected date of Commencement of Commercial production:**

The Company was incorporated on January 19, 1995 and commenced its commercial production in the same financial year.

3) **In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:**

Not Applicable

4) **Financial performance based on given indicators - as per audited standalone financial results for the year ended March 31, 2018:**

Particulars	**₹ in Million**
Income from Operations	510.67
Other Income	81.41
Total Expenses	564.68
Net Profit as per Profit & Loss Account (after tax)	19.60
Profit as computed under Section 198 of the Companies Act, 2013	368.74
Net worth	866.32

5) Foreign Investment or collaborations, if any:

The Company has investment in the overseas subsidiary i.e. CyberTech Systems and Software Inc. U.S.A

II. Information about the appointee

1) **Background Details:**

Mr. Ramasubramanian Sankaran, 53, is a graduate in Commerce and has been associated with CyberTech for past 21 years

2) **Past Remuneration:**

The total remuneration drawn by Mr. Ramasubramanian Sankaran during the Financial Year 2017-18 was ₹76.39 Lakhs inclusive of perquisites amounting to ₹ 20.42 Lakhs pursuant to exercise of ESOPs during the year under review.

3) **Job profile and his suitability:**

He has been associated with CyberTech for past 21 years. He has considerable experience in Corporate Management, Finance, Taxation and Administration.

4) **Remuneration proposed:**

Remuneration payable to Mr. Ramasubramanian Sankaran has already been mentioned in the explanatory statement above.

5) **Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):**

Taking into consideration the size of the Company, the qualifications, experience and expertise of Mr. Ramasubramanian Sankaran, the responsibilities shouldered by him and the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level counterpart(s) in other companies.

6) **Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any:**

Mr. Ramasubramanian Sankaran has no pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel

III. Other Information

i) **Reasons for loss or inadequate profits:**

Though the Company is achieving profits, but the same could be considered as inadequate and considering the managerial personnel's abilities, rich experience and qualifications, the Company would be required to compensate adequately in commensuration for a better performance and the Profit after Tax could be considered as inadequate.

ii) **Steps taken or proposed to be taken for improvement:**

In line with the strategy to invest in the development of Cloud-based Spatial Analytics Platforms, Spatialitics LLC, a new wholly owned subsidiary of CyberTech in Delaware (US) has been incorporated. This strategic step will help us focus on growth opportunities in the US market related to Solutions and Platforms for Spatial Analytics and to hold our Intellectual Property created in connection with these activities. With our Spatial Analytics platform, our focus is to make our products available and sold through our strategic and channel partners.

iii) **Expected increase in productivity and profits in measurable terms:**

The above measures undertaken are expected to yield positive results and improve the financial performance of the Company in the coming years.

IV. ADDITIONAL REQUIREMENTS AS PER SECRETARIAL STANDARD -2

Date of Previous Appointment on the Board	August 04, 2015
Shareholding as on March 31, 2018	1,00,000 Shares (0.36%)
Number of Meetings of the Board attended during the year	04
Other Directorships	Nil
Membership/ Chairmanship of Committees	02 (Includes membership in Stakeholders Relationship Committee and Corporate Social Responsibility Committee)

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

The Board of Directors of your Company recommends the resolution as set out under Item No. 6, in relation to the re-appointment and remuneration paid to Mr. Ramasubramanian Sankaran as an Executive Director, for the approval of the shareholders of the Company, to be passed as a Special Resolution.

Copy of all the documents mentioned herein above would be available for inspection by the shareholders at the Registered Office of the Company between 11:00 a.m. and 1:00 p.m. on all working days from the date hereof up to the date of the AGM.

Item No. 7 & 8

In terms of Foreign Exchange Management Act, 1999, the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 and the Consolidated FDI Policy 2015, and the re-enactment and Amendments thereof, Foreign Portfolio Investors ("FPIs") registered with the Securities and Exchange Board of India ("SEBI") can acquire and hold on their own account and on behalf of their SEBI approved sub-accounts together, up to an aggregate limit of 24% (Twenty-four per cent) of the paid up Equity Share capital of an Indian company. The said Regulations further provide that the limit of 24% (Twenty-four per cent) can be further increased up to the sectoral cap/statutory ceiling as applicable, by passing a resolution of the Board, a Special Resolution to that effect by its members and followed by necessary filings with the Reserve Bank of India ("RBI").

Similarly under Portfolio Investment Scheme, a Non-resident Indian (NRI) or an Overseas Citizen of India (OCI) may purchase or sell Capital Instruments of a listed Indian company on repatriation basis, on a recognised stock exchange in India, subject to the following conditions:

(1) NRIs or OCIs may purchase and sell Capital Instruments through a branch designated by an Authorised Dealer for the purpose;

(2) The total holding by any individual NRI or OCI shall not exceed 5 percent of the total paid-up equity capital on a fully diluted basis or should not exceed 5 percent of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed ten percent of the total paid-up equity capital on a fully diluted basis or shall not exceed ten percent of the paid-up value of each series of debentures or preference shares or share warrants;

Provided that the aggregate ceiling of 10 percent may be raised upto 24 percent if a special resolution to that effect is passed by the General Body of the Indian company.

As of March 31, 2018, holding by Foreign Portfolio Investors viz. FPIs (both Foreign Portfolio Investors and FIIs) and NRIs/OCIs under Portfolio Investment Scheme were less than the maximum ceiling of 24% and 10% of the paid up Equity Share capital of the Company.

Considering the investments by FPIs and OCIs/ NRIs will give greater advantage to the investors at large, it is proposed to enable FPIs, OCIs (Overseas Citizens of Indian Origin) and NRIs to invest upto the permissible limits viz. (1) To increase the present limit of FPIs shareholding in the Company upto 49% (Forty-nine per cent) of paid up Equity Share capital of the Company; and (2) To increase the present limit of NRIs/OCIs shareholding in the Company upto 24% (Twenty-four per cent) of paid up Equity Share capital of the Company.

The Board of Directors at their meeting held on August 13, 2018, approved, subject to the consent of the Members, to increase the aggregate permissible limit of FPI equity shareholding of the Company upto 49% and increase the aggregate permissible limit of NRIs /OCIs in equity shareholding of the Company upto 24% of the paid-up Equity Share Capital of the Company, in accordance with applicable laws.

Accordingly, the resolutions set out at item No. 7 & 8 of this Notice are proposed to enable the FPIs and/or NRIs to acquire Equity shares of the Company upto the maximum revised ceiling limits as mentioned above under the Schemes for Foreign Portfolio Investors.

None of the Directors, Manager, Key Managerial Personnel(s) and their relatives are concerned or interested in the above resolution except to the extent of their shareholding in the Company.

The Board of Directors recommends the Item No. 7 & 8 to be passed by the members of the Company as Special Resolution.

By Order of the Board of Directors

sd/-

Sarita Leelaramani
Company Secretary and Compliance Officer
Membership No. A35587

Place: Thane
Date: August 13, 2018

Registered Office:
CyberTech House, Plot No. B-63/64/65
Road No. 21/34, J.B. Sawant Marg, MIDC
Wagle Estate, Thane (W) – 400 604
CIN: L72100MH1995PLC084788
Tel.: 91 22 25834643/44/45 Fax: 91 22 25832574
Website: www.cybertech.com
E-mail: cssl.investors@cybertech.com

BOARD'S REPORT

Dear Members,

Your Directors have pleasure in presenting the 23rd Annual Report on the business and operations of your Company together with the Audited Financial Statements and the Auditors' Report for the Financial Year ended March 31, 2018.

FINANCIAL RESULTS:

The financial performance of your Company for the year ended March 31, 2018 is summarized below -

(₹ in Millions)

Particulars	**Standalone**		**Consolidated**	
	2017-18	**2016-17**	**2017-18**	**2016-17**
Gross Revenue	592.08	650.95	952.05	973.92
Profit before Interest & Depreciation	92.03	175.30	113.96	186.63
Finance costs	18.70	14.05	18.70	14.04
Depreciation	45.93	41.86	55.77	43.17
Profit before tax	27.40	119.39	39.49	129.42
Tax Expense	16.00	32.50	16.00	32.50
Deferred Tax	(7.35)	(2.34)	(7.35)	(2.34)
Income Tax adjustments from earlier years	(0.85)	1.19	(0.85)	1.19
Profit after tax	19.60	88.04	31.69	98.07
Accumulated profit brought forward from previous year	404.39	348.90	270.25	204.73
Dividend paid (including dividend tax)	32.99	32.55	32.99	32.55
Balance to be carried forward	391.00	404.39	268.95	270.25

FINANCIAL PERFORMANCE OVERVIEW

CyberTech Consolidated Financial Performance:

- The Company registered total income of ₹ 952.1 million for the year ended March 31, 2018 as compared to ₹ 973.9 million for the year ended March 31, 2017, reflecting a small reduction of 2.2%.
- Operating revenue for the year under review was ₹ 870.5 million in line with ₹ 875.7 million in the previous year.
- The Company earned net profit of ₹ 31.7 million for the year ended March 31, 2018 as against a profit of ₹ 98.1 million for the year ended March 31, 2017. The drop in profit seen for the year was mainly due to various adjustments including a provision against receivables and the initial booking of the following items required under changes to adopt India AS (Accounting Standards) as mandated as of year end as follows:
    - Provision against receivables ₹ 17.82 million
    - The non-cash imputed value of options vested to date ₹ 3.8 million
    - Fair value of security deposits ₹ 7.41million
    - Provision against credit losses ₹ 2.63million
    - Non-cash adjustment of investments to fair market value Rs9.58 million

CyberTech Standalone Financial Performance:

- The Company reported total revenue of ₹ 592.1 million for the year ended March 31, 2018 as compared to ₹ 651.0 million for the year ended March 31, 2017.
- Operating revenue for the year under review was ₹ 510.7 million as compared to ₹ 558.7 million in the previous year. Operating revenue includes both software support and development activities.
- Other Income for the year under review was at ₹ 81.4 million as against ₹ 92.2 million in the previous year.
- The Profit after Tax for the year under review was ₹ 19.6 million as against ₹ 88.0 million in the previous year.

DIVIDEND AND RESERVES

Your Directors are pleased to recommend a dividend @10% (Re.1/- per Equity Share of ₹10/- each) for the Financial Year 2017–18, subject to the approval of shareholders at the ensuing Annual General Meeting. If approved, the total dividend payout for the year under review will be 10% amounting to ₹ 27.5 Millions.

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

CONSOLIDATED FINANCIAL STATEMENTS

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

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

WHOLLY OWNED SUBSIDIARY IN USA

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

The Statement in Form AOC-1 containing salient features of the financial statements of Company's Subsidiary is attached as ***Annexure I***

BUSINESS OPERATIONS OVERVIEW AND OUTLOOK

The State of Company's Affairs:

CyberTech continued to be a trusted advisor for several global enterprises, helping them geo-enable and digitalize mission-critical business processes for users on and off the field. In terms of strategic partnership and alliances, CyberTech continued to work with its existing partners – Cisco®, Microsoft®, ESRI® and SAP®. It is expected that with the help of these alliances and partnerships, the Company will continue to lead business and revenue growth and increasing profitability with a continued focus on offshore revenue going forward.

In line with CyberTech's strategy to invest in Cloud-based Spatial Analytics Platform, Spatialitics LLC, a new wholly owned subsidiary is founded. This strategic step will help us to focus on growth opportunities related to GIS solutions and Spatial Analytics and to hold our Intellectual Property created in connection with these activities. As we transition to providing a Spatial Analytics platform, the focus is to make our products available through our channel partners.

During the year, the Company has hired some senior professionals who have impacted in the Products and Platform business in their earlier stint. This will augment the transformation and development of CyberTech's spatial analytics and IoT platform. Mr. Pankaj Srivastava, former Vice President of Cisco's software platform group, joined the Company as the Senior Vice President and C.T.O of Software Platforms. Pankaj will lead the transformation and development of CyberTech's spatial analytics and IoT platform.

During the year, CyberTech participated and co-sponsored the Geospatial World Forum 2018 Conference and showcased its Geospatial platforms and solutions for smart Cities. The Company also participated in Sapphire 2018, largest SAP® user event. CyberTech also co-presented its Healthcare Analytics Platform CyberServe for Population Health in ESRI® UC 2017, with SAP®.

SHARE CAPITAL

During the year under review, the Company has:

a) Issued and allotted 336,250 Equity Shares under Employee Stock Option Scheme (ESOP) to the employees of the Company and its subsidiary Company. As a result of the above allotment, the paid-up Share capital of the Company increased from ₹27,07,83,430/- comprising of 2,70,78,343 Equity Shares of ₹10/- each as on March 31,2017 to ₹27,41,45,930/- comprising of 2,74,14,593 Equity Shares of ₹10/- each as on March 31,2018; and

b) Issued and allotted One Million (1,000,000) warrants @ ₹67/- per share warrant, which were convertible into an equivalent number of Equity shares pursuant to a conversion option exercisable by the allottee within a period of 18 months from the date of allotment. The warrants were allotted on October 27, 2016 upon payment of ₹16.75 per warrant (being 25%). The Company did not receive any remittance towards the balance amount. Therefore as per SEBI (ICDR) Regulations, 2009, the warrants were cancelled and the consideration paid at the time of issuance was forfeited.

DEPOSITS

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

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

All transactions entered into with the Related Parties in terms of Section 2(76) and Section 188 of the Companies Act, 2013, Rules issued thereunder read with Regulation 2(zc) and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the Financial Year were in the nature exempted being transactions between the Company and its 100% Subsidiary or in accordance with the approval obtained from the Members of the Company, as the case may be. During the Financial Year 2017-18, the Company did not enter into materially significant transactions with Promoters, Key Managerial Personnel or other related parties. The details of the related party transactions as required under Ind AS-24 are set out in Note No. 32 to the consolidated financial statements forming part of this Annual Report and disclosed vide form AOC-2 has been appended as ***Annexure II,*** pursuant to Section 134(3)(h) of the Companies Act, 2013 and rules made thereunder.

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

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

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

RISK MANAGEMENT

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

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

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

MANAGERIAL REMUNERATION & PARTICULARS OF EMPLOYEES

In accordance with Section 178 and other applicable provisions of the Companies Act, 2013 read with the Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 issued thereunder, the Board of Directors at their meeting held on September 30, 2014 formulated the Nomination and Remuneration Policy of your Company on the recommendations of the Nomination and Remuneration Committee and further aligned with the Regulation 19 of the SEBI (LODR) Regulations, 2015. The salient aspects covered in the Nomination and Remuneration Policy with respect to the appointment and remuneration of Directors, Key Managerial Personnel, Senior Management and other matters have been outlined in the Corporate Governance Report, which forms part of this Report. The information required under Section 197 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of Directors and Key Managerial Personnels of your Company is set out in MGT–9 as ***Annexure V***.

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

Your Company is committed to creating and maintaining a secure work environment where its employees, agents, vendors and partners can work and pursue business together in an atmosphere free of harassment, exploitation and intimidation. To empower women and protect women against sexual harassment, a policy for prevention of sexual harassment has been rolled out and an Internal Committee (ICC) has been set up as per Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and Rules made thereunder. All employees (permanent, contractual, temporary, trainees) are covered under this policy. This policy allows employees to report sexual harassment, if any, at the workplace and the Company conducts regular awareness programs in this regard. The Internal Committee is empowered to look into all complaints of sexual harassment and facilitate free and fair enquiry process with clear timelines.

During the year 2017-18, no complaints were received regarding Sexual harassment.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

CORPORATE GOVERNANCE

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

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. Anant V. Rajwade (DIN: 00007232) (AVR), Non-Executive and Independent Director resigned from the Company on November 04, 2017 due to ill health.

He passed away in Month of February this year. The Chairman and Board of Directors of the Company fondly remember AVR and paid sincere and heartfelt tribute, by placing on record deep appreciation for his support, guidance and mentorship rendered to the Chairman and CyberTech during all these years.

Mr. Steven Jeske (DIN: 01964333), Director of the Company, retires by rotation and being eligible, has offered himself for re-appointment. The brief resume of Mr. Steven Jeske and other information under Regulation 36 of the SEBI (LODR) Regulations, 2015 with respect to the Director seeking re-appointment has been provided in the Notice convening 23rd AGM. Your Directors recommend his re-appointment.

Ms. Angela C. Wilcox (DIN: 08068715) was appointed as an Additional Director (Non-Executive and Independent) with effect from February 13, 2018. Ms. Wilcox is an experienced legal professional practicing as Trade Mark, Copyright and Business Counsel from Illinois, Chicago, USA

Mr. Ramasubramanian S. (DIN: 05350841), Executive Director of the Company is re-appointed by the Board, subject to the approval of the members of the Company for a period of Three (03) years with effect from August 04, 2018 on the existing terms and conditions.

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

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

NUMBER OF MEETINGS OF THE BOARD

During the year under review, 4 (four) Board Meetings were held viz. May 10, 2017; August 23, 2017; November 20, 2017; and February 13, 2018. The details of the meetings of the Board and its committees are set out in the Corporate Governance Report which forms part of this Annual Report. In terms of requirements of Schedule IV of the Companies Act, 2013, a separate meeting of Independent Directors was also held on March 13, 2018 to review the performance of Non-independent Directors (including the Chairman), the entire Board and quality, quantity and timelines of the flow of information between the Management and the Board.

AUDIT COMMITTEE

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

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

**Mr. Anant V. Rajwade resigned as a Non-Executive and Independent Director w. e. f. November 04, 2017 and consequently ceased to be a member of this Committee.*

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

VIGIL MECHANISM

The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism for directors and employees to report concerns about unethical behavior. No person has been denied access to the Chairman of the Audit Committee. The said policy has been uploaded on the website of the Company http://www.cybertech.com/investors/corporate_policies.aspx

COMPANY'S POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS

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

PERFORMANCE EVALUATION OF DIRECTORS

In terms of the provisions of the Companies Act, 2013 read with Rules issued thereunder and the SEBI (LODR) Regulations, 2015, the Board of Directors has carried out the annual performance evaluation of the entire Board, Committees and all the Directors based on the criteria laid down by the Nomination and Remuneration Committee.

In compliance with the requirements under Regulation 25(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a meeting of Independent Directors was held on March 13, 2018 primarily to evaluate, performance of non-independent directors, the

Chairman of the Company and the board as a whole, taking into account the views of Executive Directors and Non-Executive Directors.

The Board and the Nomination and Remuneration Committee reviewed the performance of each director on the basis of criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

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

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

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

i) in the preparation of the annual financial statements for the year ended March 31, 2018, the applicable accounting standards read with the requirements set out under Schedule III to the Act, have been followed along with proper explanation relating to material departures, if any;

ii) such accounting policies as mentioned in the notes to the Financial Statements for the year ended March 31, 2018 have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2018 and of the Profit of the Company for the year ended on that date;

iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv) the annual financial statements for the year ended March 31, 2018 have been prepared on a going concern basis;

v) proper internal financial controls are followed by the Company and that such financial controls are adequate and are operating effectively; and

vi) proper systems to ensure compliance with the provisions of all applicable laws are in place and such systems are adequate and operating effectively.

STATUTORY AUDITORS

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

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

Pursuant to notification of certain sections of the Companies (Amendment) Act, 2017, on May 7, 2018, the requirement of ratification of the appointment of auditors by the members is no longer required. However, as matter of abundant precaution, the ratification by the members is being sought at the ensuing AGM. Further, taking into consideration this recent amendment, the annual ratification will not be sought next year onwards.

AUDITOR'S REPORT

During the Financial Year under review there are no qualifications, reservations or adverse remarks or disclaimers made by the Statutory Auditors M/s. Bagaria & Co., LLP, Chartered Accountants on the financial statements of the Company.

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

INTERNAL AUDITORS

Pursuant to the provisions of Section 138 of the Companies Act, 2013 read with Rule 13 of Companies (Accounts) Rules, 2014, the Board of Directors had appointed M/s. Desai Associates, Chartered Accountants, (Firm Registration No. 102286W) as Internal Auditors of the Company for F.Y. 2017-18 and their reports were reviewed by the Audit Committee and the Board on periodical basis.

SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors had appointed M/s. S. Anantha & Ved LLP, Company Secretaries, Mumbai as Secretarial Auditors, to conduct the Secretarial Audit of the Company for F.Y. 2017-18. Form MR-3, the Secretarial Audit Report is annexed herewith as ***Annexure IV*** to this Report.

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

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

Pursuant to the requirement of Regulation 25 (7) of the SEBI (LODR) Regulations, 2015, the Company needs to formally arrange Familiarization Programme for Independent Directors to familiarize them with their role, rights and responsibility as Directors, the working of the Company, nature of the industry in which the Company operates, business model etc.

Accordingly our Company has conducted Familiarization Programme in timely manner and the details of the same are hosted on Company's website: http://www.cybertech.com/financialReports/Familiarization_programme_FY2017-18.pdf

EXTRACT OF ANNUAL RETURN

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

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company continues to believe in operating and conducting its business in a socially responsible way. This belief forms the core of the CSR policy of the Company to focus on holistic development of its host community and immediate social and environmental surroundings qualitatively. Hence, in accordance with the requirements of Section 135 of the Companies Act, 2013, your Company has constituted a Corporate Social Responsibility Committee ("CSR Committee"). The composition and terms of reference of the CSR Committee are provided in Corporate Governance Report. The Company has framed its CSR policy, which is available at www.cybertech.com. Annual Report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 has been appended as ***Annexure VI*** to this report. During the year under review, the Company has spent ₹14 Lakhs towards (CSR).

INTERNAL FINANCIAL CONTROLS WITH RESPECT TO THE FINANCIAL STATEMENTS

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

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

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

PARTICULARS OF EMPLOYEES

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

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

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

The Company had filed a Writ Petition with the judicature of Hon'ble Bombay High Court (Nagpur Bench) on April 20, 2017 challenging the Order passed against the Company by the Commissioner of Amravati Municipal Corporation, Maharashtra (AMC) cancelling the ongoing work contract of the Company and the related issues thereof. The Hon'ble Bombay High Court (Nagpur Bench) admitted the writ petition filed by the Company and passed a stay order in favor of the Company against the impugned Order passed by the Amravati Municipal Corporation. Further, the High Court directed the Company to approach the lower courts for appropriate claims. Accordingly the Company is processing with lower courts for further legal action(s) against AMC.

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

The Company complies with the Secretarial Standards issued by ICSI.

EMPLOYEES STOCK OPTION PLAN (ESOP)

During F.Y. 2017-18, there has been no change in the Employee Stock Option Plan (ESOP), 2014 of the Company. The ESOP 2014 is in compliance with the SEBI (Share Based Employee Benefits) Regulations, 2014 ('the SBEB Regulations') Disclosures pertaining to the ESOP 2014 pursuant to the SBEB Regulations are provided as ***Annexure VIII***.

GENERAL

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

1. Cost Audit;, under the applicable provisions of the Companies Act, 2013 and Rules made thereunder;
2. Issue of equity shares with differential rights as to dividend, voting or otherwise; and
3. There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year 2017-18 and the date of this report, except the one mentioned above in connection with the Order passed by the Amravati Municipal Corporation (AMC).

ANNEXURES FORMING PART OF BOARD'S REPORT

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

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

CAUTIONARY STATEMENT

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

ACKNOWLEDGEMENT

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

For and on behalf of the Board of Directors
CyberTech Systems and Software Ltd.

Sd/-

Vish Tadimety
Chairman
DIN: 00008106

Place : Trevose, PA
Date : August 13, 2018

ANNEXURE -I

FORM AOC-1

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

Name of the Subsidiary	**CyberTech Systems and Software Inc. USA**
Reporting period of subsidiary	April 01, 2017 to March 31, 2018
Reporting Currency	USD
Exchange Rate	65.17
	₹ (In Lakhs)
Share Capital	987.88
Reserves and Surplus	(563.81)
Total Assets	2835.62
Total Liabilities	2835.62
Investments	---
Turnover	7457.94
Profit before Tax	121.27
Provision for Taxation	-
Profit after taxation	121.27
% of shareholding	100%
Country	United States of America

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

Vinay Somani
Partner
M. No. 143503

For CyberTech Systems and Software Ltd.

Sudhir Joshi
Director
DIN: 00349597

Ramasubramanian Sankaran
Executive Director
DIN: 05350841

Praveen Agarwal
Chief Financial Officer

Sarita Leelaramani
Company Secretary
ACS35587

Place : Mumbai
Date : August 13, 2018

ANNEXURE-II

FORM AOC-2

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

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

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

(₹ In Lakhs)

Sr. No.	Particulars	Details		
a)	Name (s) of the related party & nature of relationship	CyberTech Systems and Software Inc. USA, Wholly owned subsidiary	Mr. Vish Tadimety – Chairman & Non-Executive Director	Mr. Steven Jeske – Non-Executive Director
b)	Nature of contracts/arrangements/ transaction	Sale of services	Remuneration	Remuneration
c)	Duration of the contracts/ arrangements/ transaction	Ongoing	Ongoing	Ongoing
d)	The material terms of the contracts or arrangements or transaction including the value, if any	3,673.17	183.74	148.28
e)	Date of approval by the Board*	May 09, 2018	August 23, 2017	August 23, 2017
f)	Amount paid as advances, if any	-	-	-

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

For CyberTech Systems and Software Ltd.

Sd/-

Vish Tadimety
Chairman
DIN: 00008106

Place : Trevose, PA, USA
Date : August 13, 2018

ANNEXURE-III

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

Information under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 and forming part of the Board's Report for the Year ended March 31, 2018:

Since the Company is engaged in the development of Computer Software and other related activities, conservation of energy is attained only by efficient power consumption.

A) CONSERVATION OF ENERGY:	
a. Energy conservation measures taken:	i) The computer systems installed are designed for low power consumption. ii) We have LED lightings across the office premises which helps in considerable energy saving. iii) Temperatures of Air Conditioning systems are maintained on an average of 24° C, which enables reduced energy consumption by the Air Conditioners.
b. the steps taken by the company for utilizing alternate sources of energy;	Nil
c. the capital investment on energy conservation equipments ;	Nil

B) TECHNOLOGY ABSORPTION:	
a. Efforts made in technology absorption:	The Company continues to adopt and use the latest technologies to improve the productivity and quality of its services and products. The Company's operations do not require significant import of technology.
b. the benefits derived like product improvement, cost reduction, product development or import substitution;	Nil
c. in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	There has been no significant imports during the current financial year.
d. the expenditure incurred on Research and Development.	Nil

C) FOREIGN EXCHANGE EARNINGS AND OUTGO:	**As on March 31, 2018**	**As on March 31, 2017**
a. Activities relating to exports initiative taken to increase exports, development of new exports, development of new export market for products, services and export plans:	As detailed in the Report	As detailed in the Report
b. Statement of expenditure/earnings incurred in Foreign Currency:		
Outgo	**(₹ In Lakhs)**	**(₹ In Lakhs)**
Dividend	92.75	92.50
Travel Expenses & other Expenses	14.75	29.30
Income		
Income from sale of Software Development services	3,931.41	4,004.42

For CyberTech Systems and Software Ltd.

Sd/-

Vish Tadimety
Chairman
DIN: 00008106

Place : Trevose, PA, USA
Date : August 13, 2018

ANNEXURE- IV

FORM MR-3
SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018

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

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

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2018, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2018 according to the provisions of:

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

We have also examined compliance with the applicable clauses of the following:
(i) Secretarial Standards issued by The Institute of Company Secretaries of India; and
(ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

We further report that

Based on the information provided by the Company, its officers and authorized representatives during the conduct of the audit, and also on the review of compliance reports by the respective Department Heads / Company Secretary / CFO / KMP taken on record by the Board of Directors of the Company, in our opinion, adequate systems and processes and control mechanism exist in the Company to monitor and ensure compliance with applicable general

laws like labour laws, competition law, environmental laws and all other applicable laws, rules, regulations and guidelines. The Company has responded to compliance requirements, notices for demands, claims, penalties etc. levied, by statutory/regulatory authorities and initiated actions for corrective measures and compliance thereof.

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

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

We further report that

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

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

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

a. Allotment of 1,75,000 Equity Shares at grant price of ₹17.70 each to eligible employee as per ESOP Scheme 2007 on May 10, 2017;
b. Allotment of 35,000 Equity Shares at grant price of ₹11.34 each to eligible employee as per ESOP Scheme 2007 on May 10, 2017;
c. Allotment of 13,750 Equity Shares at grant price of ₹36.10 each to eligible employee as per ESOP Scheme 2014 on May 10, 2017;
d. Allotment of 1,05,000 Equity Shares at grant price of ₹11.34 each to eligible employee as per ESOP Scheme 2007 on August 23, 2017;
e. Allotment of 7,500 Equity Shares at grant price of ₹36.10 each to eligible employee as per ESOP Scheme 2014 on August 23, 2017.

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

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

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

Ved Prakash
Designated Partner
ACS36837
CP No.: 16986

Place: Mumbai
Date: April 30, 2018

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

ANNEXURE TO FORM MR-3

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

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

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

For S. Anantha & Ved LLP
Company Secretaries

Ved Prakash
Designated Partner
Membership No.ACS36837
CP No.: 16986

ANNEXURE-V

FORM MGT-9

EXTRACT OF ANNUAL RETURN
as on financial year ended on March 31, 2018

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

I. REGISTRATION & OTHER DETAILS:

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

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

Sr. No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Computer Programming and related activities	620	100%

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

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

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

1. Category-wise Share Holding :

Category of shareholder	No. of Shares held at the beginning of the year, April 01, 2017				No. of Shares held at the end of the year, March 31, 2018				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTERS SHAREHOLDING									
(1) Indian									
a) Individual/HUF	163355	0	163355	0.60	163395	0	163395	0.60	0.01
"b) Central Govt.or State Govt."	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporates	0	0	0	0.00	0	0	0	0.00	0.00
d) Bank/FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other (pl specify)	0	0	0	0.00	0	0	0	0.00	0.00
SUB TOTAL (A)(1)	**163355**	**0**	**163355**	**0.60**	**163395**	**0**	**163395**	**0.60**	**0.01**
(2) Foreign									
"a) Individuals (Non-Resident Indi-viduals/Foreign Individuals)"	9420427	0	9420427	34.79	9432215	0	9432215	34.41	(0.38)
c) Bodies Corp.	650000	0	650000	2.40	650000	0	650000	2.37	(0.03)
d) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other (pl specify)	0	0	0	0.00	0	0	0	0.00	0.00
Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
SUB TOTAL (A) (2)	**10070427**	**0**	**10070427**	**37.19**	**10082215**	**0**	**10082215**	**36.78**	**(0.41)**
"Total Shareholding of Promoter (A)= (A)(1)+(A)(2)"	**10233782**	**0**	**10233782**	**37.79**	**10245610**	**0**	**10245610**	**37.37**	**(0.42)**
B. PUBLIC SHAREHOLDING				0.00			0	0.00	0.00
(1) Institutions				0.00			0	0.00	0.00
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks/FI	28911	0	28911	0.11	60494	0	60494	0.22	0.11
C) Central govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Fund	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	48133	0	48133	0.18	48133	0	48133	0.18	(0.00)
g) Foreign Financial Institution	0	575	575	0.00	0	575	575	0.00	0.00
"h) Foreign Venture Capital Funds"	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
SUB TOTAL (B)(1):	**77044**	**575**	**77619**	**0.29**	**108627**	**575**	**109202**	**0.40**	**0.11**

Category of shareholder	No. of Shares held at the beginning of the year, April 01, 2017				No. of Shares held at the end of the year, March 31, 2018				% change during the year
(2) Non Institutions									
a) Bodies corporates	1216717	1225	1217942	4.50	533562	1100	534662	1.95	(2.55)
i) Individual shareholders holding nominal share capital upto ₹2 lakhs	4940615	224612	5165227	19.08	5037363	212057	5249420	19.15	0.07
ii) Individuals shareholders holding nominal share capital in excess of ₹ 2 lakhs	2824279	40000	2864279	10.58	3635916	65000	3700916	13.50	2.92
c) Others (specify)									0.00
i) Non Resident Indians (Repat)	629252	469698	1098950	4.06	598735	469698	1068433	3.90	(0.16)
"ii) Non Resident Indians (Non Repat)"	140995	250000	390995	1.44	244751	200000	444751	1.62	0.18
iii) Foreign Companies	0	3900000	3900000	14.40	0	3900000	3900000	14.23	(0.18)
iv) Foreign Portfolio Investors (Category III)	57000	0	57000	0.21	62000	0	62000	0.23	0.02
v) Clearing Member	171457	0	171457	0.63	228693	0	228693	0.83	0.20
vi) Directors / Relatives	50000	0	50000	0.18	100000	0	100000	0.36	0.18
vii) Trusts	453	0	453	0.00	453	0	453	0.00	(0.00)
viii) HUF	550639	0	550639	2.03	416996	0	416996	1.52	(0.51)
ix) IEPF	0	0	0	0.00	53457	0	53457	0.19	0.19
x) Foreign National	0	1300000	1300000	4.80	1300000	0	1300000	4.74	0.06
SUB TOTAL (B)(2):	**10581407**	**6185535**	**16766942**	**61.92**	**12211926**	**4847855**	**17059781**	**62.23**	**0.31**
"Total Public Shareholding (B)= (B)(1)+(B)(2)"	**10658451**	**6186110**	**16844561**	**62.21**	**12320553**	**4848430**	**17168983**	**62.63**	**0.42**
"C. Shares held by Custodian for GDRs & ADRs"	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
GRAND TOTAL (A+B+C)	**20892233**	**6186110**	**27078343**	**100.00**	**22566163**	**4848430**	**27414593**	**100.00**	**0.00**

V SHARE HOLDING OF PROMOTERS AND PROMOTER GROUP

Sr. No.	Shareholders Name	Shareholding at the begining of the year, April 01, 2017			Shareholding at the end of the year, March 31, 2018			% change in share holding during the year
		Number of shares	% of Shares	% of shares pledged/ encumbered to total shares	Number of shares	% of Shares	% of shares pledged/ encumbered to total shares	
1	Vish Tadimety	5,613,350	20.73	-	5,624,870	20.52	-	(0.21)
2	Sukhada Tadimety	1,121,324	4.14	-	1,121,592	4.09	-	(0.05)
3	Amogha Tadimety	254,320	0.94	-	254,320	0.93	-	(0.01)
4	Seetha Rama Chandra Rao Tadimety	75,074	0.28	-	75,094	0.27	-	(0.01)
5	Jyothi Tadimety	30,006	0.11	-	30,026	0.11	-	0.00
6	Shanta Radhakrishna Shanbhag	58,275	0.22	-	58,275	0.21	-	(0.01)
7	Red Banyan Holdings LLC	650,000	2.40	-	650,000	2.37	-	(0.03)
8	Steven Jeske	2,431,433	8.98	-	2,431,433	8.87	-	(0.11)
	Total	**10,233,782**	**37.79**	**-**	**10,245,610**	**37.37**	**-**	**(0.43)**

VI CHANGE IN PROMOTERS' SHAREHOLDING

NAME OF THE PROMOTER	SHAREHOLDING AT THE BEGINNING OF THE YEAR		CUMULATIVE SHAREHOLDING DURING THE YEAR	
	No. of Shares	% of total shares of the company	No of Shares	% of total shares of the company
Vish Tadimety				
At the beginning of the year	5613350	20.73	5613350	20.48
Purchases during the year	11520	0.04	5624870	20.52
Sales during the year	0	0.00	0	0.00
At the end of the year	0	0.00	5624870	20.52
Steven Jeske				
At the beginning of the year	2431433	8.98	2431433	8.87
Purchases during the year	0	0.00	0	0.00
Sales during the year	0	0.00	0	0.00
At the end of the year	0	0.00	2431433	8.87
Sukhada Tadimety				
At the beginning of the year	1121324	4.14	1121324	4.09
Purchases during the year	268	0.00	1121592	4.09
Sales during the year	0	0.00	0	0.00
At the end of the year	0	0.00	1121592	4.09
Red Banyan Holdings LLC				
At the beginning of the year	650000	2.40	650000	2.37
Purchases during the year	0	0.00	0	0.00
Sales during the year	0	0.00	0	0.00
At the end of the year	0	0.00	650000	2.37
Amogha Tadimety				
At the beginning of the year	254320	0.94	254320	0.93
Purchases during the year	0	0.00	0	0.00
Sales during the year	0	0.00	0	0.00
At the end of the year	0	0.00	254320	0.93
Seetha Rama Chandra Rao Tadimety				
At the beginning of the year	75074	0.28	75074	0.27
Purchases during the year	20	0.00	75094	0.27
Sales during the year	0	0.00	0	0.00
At the end of the year	0	0.00	75094	0.27

Shanta Radha Krishna Shanbhag				
At the beginning of the year	58275	0.22	58275	0.22
Purchases during the year	0	0.00	0	0.00
Sales during the year	0	0.00	0	0.00
At the end of the year	0	0.00	58275	0.21
Jyothi Tadimety				
At the beginning of the year	30006	0.11	30006	0.11
Purchases during the year	20	0.00	30026	0.11
Sales during the year	0	0.00	0	0.00
At the end of the year	0	0.00	30026	0.11

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

SR. NO.		SHAREHOLDING AT THE BEGINNING OF THE YEAR		CUMULATIVE SHAREHOLDING DURING THE YEAR	
	For Each of the Top 10 Shareholders	No.of shares	% of total shares of the company	No of shares	% of total shares of the company
1	**Indotech Holdings LLC**				
	At the beginning of the year	3900000	14.40	3900000	14.23
	Purchases during the year	0	0.00	0	0.00
	Sales during the year	0	0.00	0	0.00
	At the end of the year	0	0.00	3900000	14.23
2	**Joseph Michael Vanek**				
	At the beginning of the year	1357000	5.01	1357000	4.95
	Purchases during the year	5000	0.02	1362000	4.97
	Sales during the year	0	0.00	0	0.00
	At the end of the year	0	0.00	1362000	4.97
3	**Prasad Rao Vellaturi**				
	At the beginning of the year	717371	2.65	717371	2.62
	Purchases during the year	99982	0.37	817353	2.98
	Sales during the year	0	0.00	0	0.00
	At the end of the year	0	0.00	817353	2.98
4	**Ashok Kumar Jain**				
	At the beginning of the year	0	0.00	0	0.00
	Purchases during the year	339271	1.25	339271	1.24
	Sales during the year	0	0.00	0	0.00
	At the end of the year	0	0.00	339271	1.24

5	**Aparna V. Goud**				
	At the beginning of the year	259315	0.96	259315	0.96
	Purchases during the year	0	0.00	0	0.00
	Sales during the year	0	0.00	0	0.00
	At the end of the year	0	0	259315	0.95
6	**B. Thimmadevi Goud**				
	At the beginning of the year	99171	0.37	99171	0.36
	Purchases during the year	156399	0.58	255570	0.93
	Sales during the year	0	0.00	0	0.00
	At the end of the year	0	0.00	255570	0.93
7	**Alka Jain**				
	At the beginning of the year	0	0.00	0	0.00
	Purchases during the year	249467	0.92	249467	0.91
	Sales during the year	0	0.00	0	0.00
	At the end of the year	0	0.00	249467	0.91
8	**Amarnath Gowda**				
	At the beginning of the year	226511	0.84	226511	0.83
	Purchases during the year	0	0.00	0	0.00
	Sales during the year	0	0.00	0	0.00
	At the end of the year	0	0.00	226511	0.83
9	**Prakash Paharia**				
	At the beginning of the year	200000	0.74	200000	0.73
	Purchases during the year	0	0.00	0	0.00
	Sales during the year	0	0.00	0	0.00
	At the end of the year	0	0.00	200000	0.73
10	**Ambadas Bhore**				
	At the beginning of the year	112450	0.42	112450	0.41
	Purchases during the year*	12500	0.05	124950	0.46
	Sales during the year	0	0.00	0	0.00
	At the end of the year	0	0.00	124950	0.46

*Employee Stock Options excersiced during the year

VIII Shareholding of Directors and Key Managerial Personnel(KMP)

SR. NO.		SHAREHOLDING AT THE BEGINNING OF THE YEAR		CUMULATIVE SHAREHOLDING DURING THE YEAR	
	For Each of the Top 10 Shareholders	**No.of shares**	**% of total shares of the company**	**No of shares**	**% of total shares of the company**
1	**Vish Tadimety**				
	At the beginning of the year	5613350	20.73	5613350	20.48
	Purchases during the year	11520	0.04	5624870	20.52
	Sales during the year	0	0.00	0	0.00
	At the end of the year	0	0.00	5624870	20.52
			0		
2	**Steven Jeske**		0		
	At the beginning of the year	2431433	8.98	2431433	8.87
	Purchases during the year	0	0.00	0	0.00
	Sales during the year	0	0.00	0	0.00
	At the end of the year	0	0.00	2431433	8.98
			0		
3	**Ramasubramanian Sankaran**		0		
	At the beginning of the year	50000	0.18	50000	0.18
	Purchases during the year$	50000	0.18	100000	0.37
	Sales during the year	0	0.00	0	0.00
	At the end of the year	0	0.00	100000	0.37
			0		
4	**Amogha Tadimety**		0		
	At the beginning of the year	254320	0.94	254320	0.94
	Purchases during the year	0	0.00	0	0.00
	Sales during the year	0	0.00	0	0.00
	At the end of the year	0	0.00	254320	0.94

$Employee Stock Options excersiced during the year

IX INDEBTEDNESS

(₹ in Lakhs)

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	**Unsecured Loans**	**Deposits***	**Total Indebtedness**
Indebtness at the beginning of the financial year				
i) Principal Amount	996.45	-	230.28	1,226.73
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**996.45**	**-**	**230.28**	**1,226.73**
Change in Indebtedness during the financial year				
Additions	96.09	-	-	96.09
Reduction	-	-	(88.32)	(88.32)
Net Change	**96.09**	**-**	**(88.32)**	**7.77**
Indebtedness at the end of the financial year				
i) Principal Amount	1,092.54	-	141.96	1,234.50
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**1,092.54**		**141.96**	**1,234.50**

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

X REMUNERATION OF EXECUTIVE DIRECTOR AND KEY MANAGERIAL PERSONNEL

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

(Amt ₹ In Lakhs)

Sr. No.	**Particulars of Remuneration**	**Mr.Ramasubramanian Sankaran - Executive Director**
1	Gross salary	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	55.97
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	Nil
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	Nil
2	Stock option	20.42
3	Sweat Equity	Nil
4	Commission as % of profit	Nil
	others (specify)	
5	Others, please specify	Nil
	Total	76.39
	Overall Cieling as per the Act.^	**168.00**

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

B. Remuneration to the Non-Executive Directors:

(₹ in Lakhs)

Sr. No	Particulars of Remuneration	Fees for attending Board/Committee Meetings^	Commission	Total
1	**Independent Directors**			
	Mr. Anant V. Rajwade*	1.00	1.50	2.50
	Mr. Sudhir Joshi	1.80	1.50	3.30
	Mr. M.P. Bharucha	0.80	3.00	3.80
	Dr. N.L. Sarda	1.80	1.50	3.30
	Dr. Shreepad Karmalkar	0.40	1.00	1.40
	Ms. Angela C. Wilcox%	-	-	-
	Total (1)	**5.80**	**8.50**	**14.30**
2	**Other Non-Executive Directors**			
	Mr. Vish Tadimety	1.00	-	1.00
	Mr. Wim Elfrink	0.80	-	0.80
	Mr. Steven Jeske	0.80	-	0.80
	Ms. Amogha Tadimety	0.80	-	0.80
	Total (2)	**3.40**	**-**	**3.40**
	Total Managerial Remuneration (1+2)	**9.20**	**8.50**	**17.70**

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

*Mr. Anant V. Rajwade Resigned as a Non-Executive and Independent Director w. e. f. November 04, 2017 and consequently ceased to be a member of Committees.

% Ms. Angela C. Wilcox (DIN: 08068715) has been appointed as an Additional Director (Independent and Non-Executive) with effect from February 13, 2018.

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

(₹ In Lakhs)

Sr. No.	Particulars of Remuneration	Mr. Praveen Agarwal - Chief Financial Officer (w.e.f. 10/05/2017)	Ms. Sarita Leelaramani - Company Secretary & Compliance Officer
1	**Gross salary**		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	22.25	8.93
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	Nil	Nil
2	Stock option	Nil	Nil
3	Sweat Equity	Nil	Nil
4	Commission as % of profit others (specify)	Nil	Nil
5	Others, please specify	Nil	Nil
	Total (C)	**22.25**	**8.93**

XI PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

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

For CyberTech Systems and Software Ltd.

Sd/-

Vish Tadimety
Chairman
DIN: 00008106

Place : Trevose, PA, USA
Date : August 13, 2018

ANNEXURE-VI

REPORT ON CORPORATE SOCIAL RESPONSIBILITY

[Pursuant to Companies (Corporate Social Responsibility Policy) Rules, 2014]

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

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

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

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

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

2. The Composition of the CSR Committee.

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

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

(Amount in ₹)

Sr. No.	Financial Year	Profit Before Tax	Average net Profit	CSR amount (FY 2017-18)	Balance b/f (FY 2016-17)	Total CSR Amt. spent
1	2014-15	41,649,485	69,429,211/-	1,388,585/-	13,509/-	14,00,000/-
2	2015-16	50,747,928				
3	2016-17	115,890,221				
	Total	**208,287,634**				

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

a)	Amount to be spent for the F.Y. 2017-18	₹1,388,584/- (Rupees Thirteen Lakhs Eighty Eight Thousand Five Hundred Eighty Four)
b)	Amount unspent in F.Y. 2016-17 b/f	₹13,509/- (Rupees Thirteen Thousand Five Hundred and Nine)
c)	**Amount Spent in F.Y. 2017-18**	**₹ 14,00,000/- (Rupees Fourteen Lakhs)**
d)	Manner in which the amount spent during the financial year	detailed below

In accordance with the Company's CSR policy and in compliance with the Companies (Corporate Social Responsibility Policy) Rules, 2014, CyberTech Systems and Software Limited has undertaken number of CSR projects. During the year under review the CSR Committee identified various projects with Non-Profit Organizations which are registered as Public Charitable Trust or incorporated under Section 8 of the Companies Act, 2013.

The details are as under:

(₹ In Lakhs)

Sr. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs were undertaken	Amount outlay (budget) project or Program wise	Amount spent on the projects or programs Sub - heads : 1) Direct expenditure on projects (2) overheads	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency
1	2	3	4	5	6	7	8
1.	Promoting of education	Education: Improving English Language standard of students through Technology Intervention. This is to ensure that the children have access to quality education with the help of Technology	Mumbai, Maharashtra and Guntur, Andhra Pradesh	14.00	14.00	14.00	Implementing agency: Ramakrishna Mission

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

6. CSR Committee Responsibility Statement:

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

For CyberTech Systems and Software Ltd.

Vish Tadimety
Chairman of the Company
(DIN: 00008106)

Place : Trevose, PA, USA
Date : August 13, 2018

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

Place : Thane
Date : August 13, 2018

CyberTech's contribution to Ramakrishna Mission

▲ ***FY 2017-18***

CyberTech contributed to Ramakrishna Mission for their set up of English Language Lab. This Lab facilitates the students to improve English Language standard through Technology intervention and collaboration with specialized agencies. The students are from rural areas where the English Proficiency is absent. They are taught in their Mother Tongue. In today's era English Language enables each student competitive and face the outer world with confidence. In order to prepare students to take the medium in English an English Laboratory has been planned by the Ramakrishna Mission. This Lab will help the students to learn the English Language deeper apart from their normal studies. CyberTech has contributed for the infrastructure set-up of around 16 classrooms.

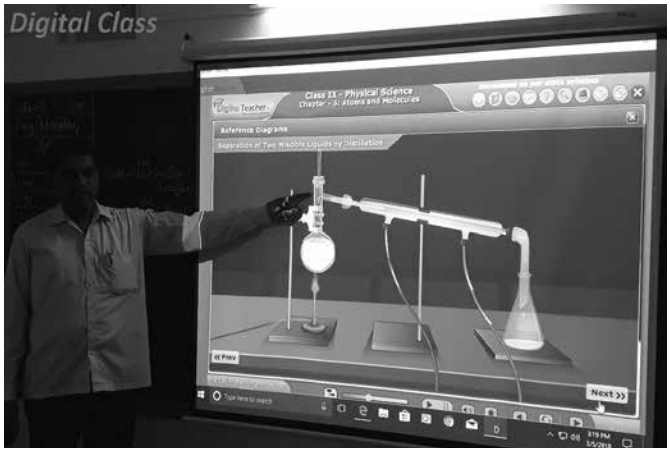
▲ ***FY 2016-17***

Previous year, CyberTech contributed for conversion of classrooms into digital classrooms. This technology enhanced the move towards student-centric learning system. The concept of Digital classrooms enables teacher to become a facilitator and help students to develop their knowledge with strong foundation and improve their competitive abilities. CyberTech contributed towards converting 16 normal classrooms into 16 interconnected smart classrooms.

CyberTech is pleased to inform that the center was inaugurated on August 10, 2018:









ANNEXURE VII

PARTICULARS OF EMPLOYEES

Disclosure pursuant to Section 197(12) of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) rules, 2014

I. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2017 -18

S. No.	Name of Director(s)	Total Remuneration (₹ in Lakhs)	Ratio of Remuneration of Director to the Median remuneration*
1	Anant V. Rajwade	2.50	0.56
2	Sudhir Joshi	3.30	0.74
3	M. P. Bharucha	3.80	0.85
4	N. L. Sarda	3.30	0.74
5	Shreepad Karmalkar	1.40	0.31
6	Vish Tadimety	1.00	0.22
7	Steven Jeske	0.80	0.18
8	Wim Elfrink	0.80	0.18
9	Amogha Tadimety	0.80	0.18
10	Ramasubramanian S.	76.39	16.44
11	Angela C. Wilcox	Nil	Nil

Notes:

1) *Median remuneration for the financial year 2017-18 is ₹448,613

2) The aforesaid details are calculated on the basis of remuneration for the financial year 2017-18.

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

4) Angela C. Wilcox was appointed as Additional Director (Non-Executive & Independent) w.e.f. from February 13, 2018

II. The percentage increase in remuneration of each Director and Key Managerial Personnel in the Financial Year 2017 - 18 are as follows:

Name of Director(s)	Remuneration (₹ in Lakhs)		Increase/(Decrease) In %
	2017-18	2016-17	
Anant V. Rajwade	2.50	2.90	(14)
Sudhir Joshi	3.30	3.50	(6)
M. P. Bharucha	3.80	3.40	12
N. L. Sarda	3.30	3.50	(6)
Shreepad Karmalkar	1.40	2.40	(42)
Vish Tadimety	1.00	1.20	(17)
Steven Jeske	0.80	0.80	-
Wim Elfrink	0.80	-	-
Amogha Tadimety	0.80	0.60	33
Angela C. Wilcox	-	-	-
Ramasubramanian S.	76.39	70.83	8
Key Managerial Personnel (KMP)			
Praveen Agarwal, CFO (w.e.f. 10/05/2017)	22.25	-	-
Sarita Leelaramani, CS (w.e.f. 01/07/2016)	8.93	6.15	9
Sateesh Wadagbalkar, CS (upto 30/06/2016)	-	5.11	-

Notes:

1) Angela C. Wilcox was appointed as Additional Director (Non-Executive & Independent) w.e.f. from February 13, 2018

2) The remuneration to Directors is within the overall limits approved by the shareholders of the Company.

3) The sitting fees paid are based on the number of meetings attended by the Non-Executive Directors during the financial year 2017-18. The remuneration paid to Non-Executive Directors includes commission and sitting fees paid towards attending the Board Meeting, Audit Committee Meeting and Nomination and Remuneration Committee Meetings held during the year under review.

4 Increase in remuneration is made as per appraisal system and Nomination and Remuneration Policy of the Company.

III. The Percentage increase in the median remuneration of the employees in the financial year 2017-18

Particulars	2017 - 18	2016 -17	Change
Median remuneration of employees per annum	₹ 448,613	₹ 384,246	17%

IV. The number of permanent employees on the rolls of the Company as on March 31, 2018 - 385

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

Average increase in Salary of employees other than managerial personnel is 5% and average increase in managerial remuneration (comprising of remuneration to Whole-time director and KMPs) is 4%.

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

For CyberTech Systems and Software Ltd.

Sd/-

Vish Tadimety
Chairman
DIN: 00008106

Place : Trevose, PA, USA
Date : August 13, 2018

Annexure VIII

ESOP DISCLOSURES AS ON MARCH 31, 2018

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

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

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

Members may refer to the Note No. 42 of Audited Financial Statements prepared as per Indian Accounting Standard (Ind AS) for the Financial Year 2017-18.

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

Diluted EPS for the year ended March 31, 2018 is Re. 0.70.

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

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

	Particulars	Employee Stock Option Scheme
(a)	Date of shareholders' approval	September 30, 2014
(b)	Total number of options approved under ESOP	13,23,567
(c)	Vesting requirements	The options granted will vest at the rate of 25% of the options granted after the completion of first year, second year, third year and fourth year from the date of the grant.
(d)	Exercise price or pricing formula	The Exercise Price shall be the price at the latest available (closing) market price on the applicable stock exchange (i.e. the stock exchange where the volume of shares of the Company traded on that day is the highest) prior to the date of the meeting of the board or any committee thereof at which such options have been granted.
(e)	Maximum term of options granted	The Employees shall be free to exercise vested options within a period of six months from the date of separation or seven years from the date of grant whichever is earlier, or such period as may from time to time be decided by the Nomination and Remuneration Committee. Options that have not been exercised within this period shall lapse and stand cancelled.
(f)	Source of shares (primary, secondary or combination)	Primary
(g)	Variation in terms of options	None

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

Number of options granted:	50,000 (As mentioned in Point E below)
Pricing formula:	As provided in policy
Options vested:	A total of 385,000 options vested during the year.
Options exercised and number of shares arising out of such exercise:	A total of 336,250 options exercised during the year.
Options lapsed:*	During the year 300,000 options lapsed.
Variations in terms of options:	There was no variation in the terms of options.
Total Number of options in force:	1,196,750 options were in force as on 31.3.2018

*Out of 300,000 Options, 250,000 Options granted to the employees of the Company on January 31, 2017 was surrendered during the year. Other 50,000 Options were lapsed on expiry of its tenure.

D. Method of Accounting

The Company has elected to use the intrinsic value method to accounts 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):

Particulars	As at March 31, 2018		As at March 31, 2017	
	Options (Nos.)	Weighted Average Exercise Price (₹)	Options (Nos.)	Weighted Average Exercise Price (₹)
Options outstanding at beginning of the year	1,783,000	38.22	17,40,000	28.32
Granted during the year	50,000	56.55	2,50,000	89.35
Exercised during the year	336,250	16.21	2,07,000	16.72
Forfeited/lapsed during the year	300,000	77.40	NIL	NIL
Options outstanding at end of year	1,196,750	35.35	1,783,000	38.22
Vested options pending exercise	676,750	32.94	678,000	24.69

The following summarizes information about stock options outstanding:

As at March 31, 2018

Range of Exercise Price	Number of shares arising out of options	Weighted average remaining life (Years)	Weighted average Exercise Price (₹)
₹ 10 to ₹15	128,000	2	11.34
₹ 15 to ₹ 45	1,018,750	5	37.32
₹ 46 to ₹ 90	50,000	7	56.55

As at March 31, 2017

Range of Exercise Price	Number of shares arising out of options	Weighted average remaining life (Years)	Weighted average Exercise Price (₹)
₹ 10 to ₹ 15	268,000	5	11.34
₹ 15 to ₹ 45	1,265,000	5	33.81
₹ 46 to ₹ 90	250,000	7	89.35

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

(a)	Senior managerial personnel including Key Managerial Personnel	Mr. Sameer Gupte, Vice President (Operations) was granted 50,000 options @ ₹ 56.55 on August 23, 2017
(b)	any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year	N. A.
(c)	Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant.	N. A.

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

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 ₹90/- 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:

Particulars	March 31, 2018	March 31, 2017
Dividend yield	**0.03%**	**0.04%**
Expected volatility	**60%**	**58%**
Risk-free interest rate	**6.86%**	**6.70%**
Expected life of option	**7 years**	**7 years**

G. 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:

(₹ in Lakhs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Profit attributable to Equity Shareholders	**195.95**	880.42
Weighted Average Number of Equity Shares outstanding for computing Basic EPS	**27,346,302**	27,015,932
Add: Weighted average number of potential equity shares on account of employee stock options	**512,896**	864,051
Weighted Average Number of Equity Shares outstanding for computing Diluted EPS	**27,859,198**	27,879,983
Nominal value of Equity Shares (In Rs)	**10**	10
Basic	**0.72**	3.26
Diluted	**0.70**	3.16

For CyberTech Systems and Software Ltd.

Sd/-

Vish Tadimety
Chairman
DIN: 00008106

Place : Trevose, PA, USA
Date : August 13, 2018

MANAGEMENT DISCUSSION AND ANALYSIS

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

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

1. INDUSTRY OVERVIEW

Global Economy & IT

Global growth accelerated markedly in 2017, supported by a broad-based recovery across economies and it is expected to edge up in 2018.

With the constant recovery in global trade and investment along with increased consumer demand, the International Monetary Fund (IMF) projected the global growth to inch up from 3.8% in 2017 to 3.9% in 2018 and 2019. It also upgraded its forecast for United States (US) growth in 2018 to 2.9%, up from 2.7% previously forecasted mainly aided by lower unemployment rate and President Trump's tax reform. Advanced economies grew at 2.4% in 2017 and are projected to grow at 2.2% in 2018 before easing to a 2% in 2019, as most of the central banks are gradually removing monetary stimulus. Emerging Market and Developing Economies (EMDEs) grew at 4.3% in 2017 and is expected to strengthen to 4.5% in 2018, before reaching to 4.7% in 2019. After a short slowdown due to demonetization and GST implementation, India reclaimed its fastest growing economy tag. India GDP grew at 6.4% in 2017 and is estimated to grow at 7.4% in 2018 and 7.8% in 2019.

However, IMF has also listed several factors that are expected to drag the projected growth such as rising protectionism, geopolitical risks, trade war, financial market volatility and policy uncertainties. Experts are of opine that policymakers should seize this opportunity to bolster growth, make it more durable and equip their governments better to counter the downside risks going forward. It is today's demand to deploy fiscal, monetary and structural policies comprehensively and collectively for economies to grow effectively and ensure that the benefits from growth and globalisation are more widely shared.

State of the Technology Industry

Today, the globe is becoming digital and timely, accurate, reliable information is available at the push of a button. 2018 is appearing to be on the cusp of profound change. The information technology (IT) industry is 'reinventing' itself to become 'Digital Economy'. This technology reinvention has brought the new age technologies – SMAC, Artificial Intelligence and many more to become core digital services. Across industries, clients are aggressively adopting these transitions and becoming the part of the digital economy. CIOs are investing in the technology agenda for winning, serving and retaining customers. IT companies have started to grasp the disruptive nature of this new era in enterprise technology and are using the tools of the cloud era to redefine their organization and expand their IT capabilities.

According to NASSCOM, the global technology industry stood at $1.3 trillion in 2017 witnessing a growth of around 4.3%. The global IT services and BPM market grew by 2.4% and 3.4% respectively in 2017 over 2016. The growth was driven by the continuous need for digital solutions and greater implementations of robotics, automation, Internet of Things (IoT), SMAC (Social, Mobility, Analytics, Cloud). The total addressable market for global IT-BPM industry is estimated to expand to around $4 trillion by 2025 driven by adoption of digital technologies.

According to Gartner, worldwide IT spending is projected to increase by 6.2% over 2017, reaching $3.7 trillion in 2018. Spending in IT services segment is expected to grow by 7.4% in 2018, up from 4.4% in 2017 to $1,003 billion. Enterprise software spending is estimated to witness the highest growth of 11.1% to touch $391 billion in 2018. BI and analytics software market is expected to climb up to $22.8 billion by 2020 from $18.3 billion in 2017 mainly driven by the inflow of new customers, high analytics accessibility, and real-time data processing. The software industry is expected to continue capitalizing on the evolution of digital business.

According to Research and Markets report, the global advanced analytics market is expected to grow at a CAGR of 9.39% during the forecast period 2017 – 2021. The increased shift of big data to cloud and rise in adoption of advanced analytics are key propelling factors for the growth outlook. Advanced analytics helps to achieve cost effectiveness, significant revenue growth and can be used across every industry and verticals. For instance, the healthcare industry uses advanced analytics to improve clinical performance. These solutions are used across the retail sector as they provide an insight into consumer buying behaviour and also help in merchandise planning.

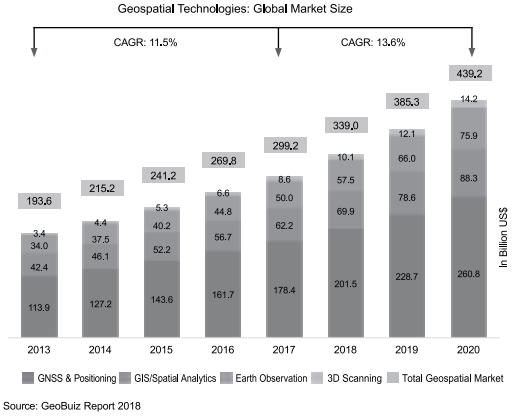
Today, in all aspects - economic, technology, demographics and consumer preferences - technology has transformed the overall business environment. Digitalization, Cloud computing, Internet of Things, agile entrepreneurial ecosystem will continue to dominate the industry in coming years.

Indian Market

India is on the way to become digital economy backed by government's 'Digital India' and 'e-governance' reforms. The GST implementation is another important digital initiative taken by the government. The information technology (IT) industry seems to be recovering from some key issues such as slowdown in technology spending by banking and financial companies and uncertainty over work visa rules in the United States. Nasscom has projected the $167 billion India's IT-BPM industry in 2018 to become $350 billion industry by 2025. The overall IT industry is changing drastically to adapt the challenges flowing from marketplace shifts and changing needs of customers.

Geospatial Industry

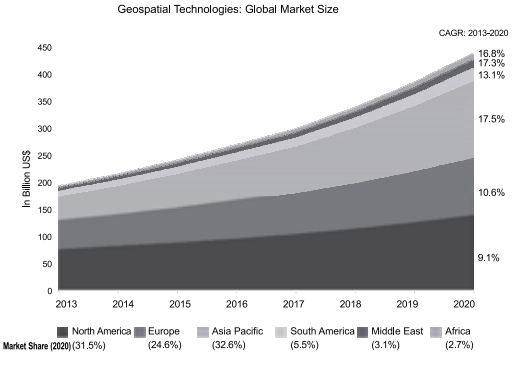
The geospatial industry, in a nascent stage for decades, is now on a route of aligning itself with the mainstream market. Over last few years, the geospatial market saw a paradigm shift. According to GeoBuiz 2018 report, the global geospatial industry stood at US$ 299.2 billion in 2017 (11.5% CAGR between 2013 to 2017) and is projected to reach US$ 439.2 billion by 2020, growing at a CAGR of 13.6% between 2017 to 2020 majorly driven by increasing democratization of geospatial information and its integration with digital technologies. Innovative technologies like Cloud, IoT, Big Data,



Source: GeoBuiz Report 2018

Artificial intelligence and Blockchain are playing multiplier roles in expanding the business portfolio of the geospatial industry.

Globally, the geospatial industry is witnessing an exceptional improvement across geographies. As per GeoBuiz report 2018, the North America is the largest geospatial market with an estimated market share of 34.5% in 2017 and is projected to grow at a CAGR of 10.2% between 2017-2020. As the 'location' component gets embedded in every sphere of the economy, the North America market is expected to continue the foremost beneficiaries



Source: GeoBuiz Report 2018

driven by its strong institutional capacity, robust infrastructure, mature policy framework and advanced user adoption level.

With the number of industries, using location data, on the rise, the geospatial industry is set to grow in India. According to Government of India's Ministry data, the $4 billion Indian geospatial market in 2016 is estimated to become a $20 billion market by 2025, at a CAGR of 12 to 15% during the forecasted period. BFSI, construction and agriculture sectors are using geospatial services in a larger way in India.

Recently, rising investments by government and private sector user segments, increasing digital services and innovations in geospatial technologies have created new avenues for geospatial applications. Satellite imageries, GIS/Spatial Analytics, Unmanned Aerial Vehicles (UAVs), GNSS (Global

Navigation Satellite Systems) and Positioning and 3D scanning are being used rigoursly across key industries and verticals. Geospatial technologies are significantly enhancing the quality of decision support systems resulting in more effective business and public governance processes.

2. Business Overview

CyberTech continued to be a trusted advisor for several global enterprises, helping them geo-enable and digitalize mission-critical business processes for users on and off the field. In terms of strategic partnership and alliances, CyberTech continued to work with its existing partners – Cisco®, Microsoft ®, ESRI® and SAP®.

In line with CyberTech's strategy to invest in Cloud-based Spatial Analytics Platform, Spatialitics LLC, a new wholly owned subsidiary is founded. This strategic step will help us to focus on growth opportunities related to GIS solutions and Spatial Analytics and to hold our Intellectual Property created in connection with these activities. As we transition to providing a Spatial Analytics platform, the focus is to make our products available through our channel partners.

United States continued to be the major revenue contributor with a contribution of 91% towards operating revenue while 9% accounted for India. Company continue to see steady growth from US business which grew approximately 10% on year-on-year basis in FY18.

During the year, CyberTech participated and co-sponsored the Geospatial World Forum 2018 Conference and showcased its Geospatial platforms and solutions for smart Cities. Company also participated in Sapphire 2018, largest SAP® user event.

Quality

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

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

3. Human Resources

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

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

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

During the year, the Company has hired some senior professionals who have impacted in the Products and Platform business in their earlier stint. This will augment the transformation and development of CyberTech's spatial analytics and IoT platform.

The Company and its wholly owned 100% subsidiary have 385 permanent employees on its payroll.

4. Opportunities and Threats

Opportunities:

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

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

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

Threats:

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

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

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

5. Outlooks and Risks

Outlook:

Geospatial industry is on track to align itself with the mainstream technologies. Mainstreaming of the geospatial market has increased the demand for geospatial content and solutions across governments, businesses and consumers.

CyberTech is positioned rightly to transform itself from success to leadership. Over last few years, it has made significant investments in its research and development activities to stay competitive for future growth. The Company continued to remain focused on the Public sector and Enterprise SAP® and GIS custom technology applications.

During the year, Mr. Pankaj Srivastava, former Vice President of Cisco's software platform group, joined the Company as the Senior Vice President and CTO of Software Platforms. Pankaj will lead the transformation and development of CyberTech's spatial analytics and IoT platform. This addition to the leadership of the company is in line with its strategy of investing in building top-level talent to transform Company's spatial analytics and applications platform.

In terms of strategic alliances and partnership, CyberTech continues to work with existing alliances such as Cisco®, SAP®, Microsoft®, IBM® and ESRI®. It is expected that with the help of these alliances and partnerships, Company will continue to lead business and revenue growth and increasing profitability with a continued focus on offshore revenue going forward.

Risks:

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

1. Spatial Analytics Platform

2. Enterprise solutions

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

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

Key Risks	Impact on CyberTech	Mitigation
Lack of Diversification	The Company's potential for growth is driven by one market segment, namely IT services, with a focus on several technology areas.	Company management has purposely remained focused in the near term as opposed to spreading its manpower too thin to achieve its goals. The company is also taking measures to change the perspective from the pure services providers company to market Product and IPs.
Excessive dependence on one geographic segment	A large percentage of company's revenue comes from USA, heavy dependence on this one geographic segment could lead to volatility because of the economic and political situation there.	The Company has successfully penetrated into the local Indian market apart from the operations established in USA. It is exploring the possibilities to penetrate its Geoshield Product in other countries.

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 non-compliance with local laws or regulations that would have a material impact on Financial Statements.
Risk of attracting and retaining of IT Professionals in a highly competitive environment	In the IT services industry, people are the most valuable assets. Attrition of the key technical talent is one of the major risks.	The company reviews its compensation policies regularly to determine that compensation is competitive with the market conditions. The company also determines that there is a defined career path for all employees and the work environment provided to all employees is very competitive and is of very high standard.
Currency Risk	The changes in currency rate between Indian Rupees and US dollars have been a major cause of concern. The fluctuation of rates coupled with the shocks emerging from various parts of the world relating to the economic meltdown has increased the currency risk.	The Company has framed its hedging policy and Management and the Board of Directors monitor the currency position from time to time.

6. INTERNAL CONTROL SYSTEM & THEIR ADEQUACY

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

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

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

7. FINANCIAL CONDITION

Your Company had consolidated revenues of Rs 95.21 Crores and Rs 3.17 Crores net profit in the current year. Company expect to achieve significant growth in revenue and net income in the coming years. The detailed financial condition is stated in Board's Report which forms part of Annual Report.

8. Cautionary Statement

Statements in this document/discussion relating to future status, events, or circumstances, including but not limited to statements describing the Company's objectives, projections, estimates and expectations maybe 'forward looking statements' within the meaning of applicable laws and regulations. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic developments, particularly in the USA & improvements in the state of Information Technology Services markets, changes in the Government regulations in India & USA, tax laws & other incidental factors.

For CyberTech Systems and Software Ltd.

Sd/-

Vish Tadimety
Chairman
DIN: 00008106

Place : Trevose, PA, USA
Date : August 13, 2018

REPORT ON CORPORATE GOVERNANCE

We are pleased to submit hereunder a detailed report on Corporate Governance for the Financial Year ended on March 31, 2018, pursuant to Regulation 17 to 27 and Regulation 34 (3) read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI (LODR) Regulations, 2015") as applicable, with regard to Corporate Governance.

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

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

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

The Details of Corporate Governance practices followed in CyberTech are hereunder:

2. BOARD OF DIRECTORS

a. Composition

The Board has an optimum combination of Executive and Non-executive Directors in order to have a balanced Board Structure. As on March 31, 2018, the strength of the Board of Directors is Ten (10) Directors comprising of Nine (9) Non-Executive Directors including Two (2) Woman Directors. Out of total number of Directors, Five (5) are Independent Directors who constitute one-half of the total strength of the Board. The Company is in compliance with the requirements of Regulation 17 of the SEBI (LODR) Regulations, 2015. All Directors are competent and experienced personalities in their respective fields.

None of the Directors on the Board hold directorships in more than ten (10) public companies. Further, none of them is a member of more than ten (10) committees or chairman of more than five (5) committees across all the public companies in which he or she is a Director. Further, in compliance with Regulation 25(1) of SEBI (LODR) Regulations, 2015, none of the Independent Directors holds directorship in more than seven listed companies. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2018 have been made by the Directors.

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

The Composition of the Board, details of other directorships, committee positions as on March 31, 2018 are given below:

Sr. No.	Name	Directors Identification Number (DIN)	Category of Directors	No. of Directorships held (including CSSL)#	No. of Membership/Chairmanship in Board Committees (including CSSL)@	
					Chairman	Member
1.	Mr. Vish Tadimety	00008106	Non-Executive Chairman and Promoter Director	1	NIL	NIL
2.	Mr. Ramasubramanian S.	05350841	Executive Director	1	NIL	1
3.	Mr. Steven Jeske	01964333	Non-Executive and Non-Independent Director	1	NIL	NIL
4.	Ms. Amogha Tadimety	06952042	Non-Executive and Non-Independent Director	1	NIL	NIL
5.	Mr. Sudhir Joshi	00349597	Non-Executive and Independent Director	4	2	2
6.	Mr. M.P. Bharucha	00361911	Non-Executive and Independent Director	3	1	1
7.	Dr. Shreepad Karmalkar	03273896	Non-Executive and Independent Director	1	NIL	2
8.	Dr. N.L. Sarda	00147782	Non-Executive and Independent Director	3	NIL	4
9.	Mr. Anant V. Rajwade*	00007232	Non-Executive and Independent Director	1	NIL	2
10.	Mr. Wim Elfrink	07741650	Non-Executive and Non-Independent Director	1	NIL	NIL
11.	Ms. Angela C. Wilcox $	08068715	Additional Director (Non-Executive and Independent)	1	NIL	NIL

* Mr. Anant V. Rajwade (DIN: 00007232), Non-Executive and Independent Director of the Company resigned from the Board owing to his ill health with effect from November 04, 2017.

$ Ms. Angela C. Wilcox (DIN: 08068715) an experienced Trade Mark Counsel from Illinois, Chicago, USA was appointed as an Additional Director (Independent and Non-Executive) with effect from February 13, 2018.

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

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

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

Date of Board Meeting	May 10, 2017	August 23, 2017	November 20, 2017	February 13, 2018
Board Strength as on the date of Board Meetings	10	10	9	10
No. of Directors Present*	9	10	8	8

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

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

Name of Director	No. of Board Meetings held during year	No. of Board Meetings Attended^	Attendance at last AGM
Mr. Anant V. Rajwade*	4	2	Not Attended
Mr. Vish Tadimety	4	4	Attended via Video Conferencing
Mr. Wim Elfrink	4	4	Not Attended
Mr. Sudhir Joshi	4	4	Not Attended
Mr. M.P. Bharucha	4	4	Not Attended
Dr. N.L. Sarda	4	4	Attended
Dr. Shreepad Karmalkar	4	1	Not Attended
Mr. Steven Jeske	4	4	Attended
Mr. Ramasubramanian Sankaran	4	4	Attended
Ms. Amogha Tadimety	4	4	Not Attended
Ms. Angela C. Wilcox $	4	Nil	Not Applicable

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

* Mr. Anant V. Rajwade (DIN: 00007232), Non-Executive and Independent Director of the Company resigned from the Board owing to his ill health with effect from November 04, 2017.

$ Ms. Angela C. Wilcox (DIN: 08068715) has been appointed as an Additional Director (Non-Executive and Independent) with effect from February 13, 2018.

c. Inter-se relationships amongst Directors

As on March 31, 2018, there is no inter-se relationship among the Directors except Ms. Amogha Tadimety, is the Daughter of Mr. Vish Tadimety, Non-Executive Chairman and Promoter Director of the Company.

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

The following Directors are holding Shares and Convertible Instruments of the Company as on March 31, 2018:

S.No.	Name of Director	No. of Shares held
1.	Mr. Vish Tadimety	56,24,870
2.	Ms. Amogha Tadimety	2,54,320
3.	Mr. Steven Jeske	24,31,433
4.	Mr. Ramasubramanian Sankaran	1,00,000
S.No.	**Name of Director**	**Optionally Fully Convertible Warrants Held^**
1.	Mr. Wim Elfrink	10,00,000

^Issued and allotted One Million (10,00,000) Optionally Fully Convertible Warrants (OFCWs / Warrants / Securities) with each warrant convertible into one Equity Share at a conversion Price of `67/- per Equity Share, pursuant to the prior approval of the members obtained through Postal Ballot on September 20, 2016.

The warrants were allotted on October 27, 2016 upon payment of ₹16.75 per warrant (being 25%). The balance warrant were not exercised as the Company did not receive any remittance towards the balance amount. Therefore as per SEBI (ICDR) Regulations, 2009, the warrants were cancelled and the consideration paid at the time of issuance was forfeited.

e. Independent Directors:

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

During the year under review, a separate meeting of Independent Directors of the Company as per the requirements of Schedule IV of the Companies Act, 2013 and Regulation 25 (3) of the SEBI (LODR), Regulations, 2015 was held on March 13, 2018 without the attendance of Non-Independent Directors and the members of the management, interalia, to discuss the following :

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

f. Familiarisation Programme:

Pursuant to the provision of Regulation 25(7) of the SEBI (LODR) Regulations, 2015, the Company has in place Familiarization Programme for Independent Directors to familiarize them about the Company and their role, rights and responsibilities in the Company. The Familiarization Programme and details of Familiarization Programme imparted during 2017-18 are uploaded on the website of the Company and can be accessed through web-link:

http://www.cybertech.com/financialReports/Familiarization_programme_FY2017-18.pdf

3. COMMITTEES OF THE BOARD

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

All decisions pertaining to the constitution of Committees, terms of reference, etc. are taken by the Board of Directors. Details on the role and composition of these Committees, including the number of meetings held during the Financial Year 2017-18 and the related attendance, are provided below:

i) Audit Committee

a) Brief description of Terms of reference

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

Financial Reporting and Related Processes:

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

Internal Controls and Governance Processes:

- Review the adequacy and effectiveness of the Company's internal control system. Review and discuss with management the Company's major financial risk exposures and steps taken by the Management to monitor and control such exposure;
- Review adequacy of internal audit function, internal audit reports and discussion with Internal Auditors on significant findings and follow-up thereon;
- To oversee and review the functioning of a Vigil Mechanism and to review findings of investigation into cases of material nature and the actions taken in respect thereof; and

- Approval and Review of Related Party Transactions.

Audit & Auditors

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

b) Composition and attendance at Audit Committee Meetings:

As on March 31, 2018, the Audit Committee comprises of Four Directors as the Members. All the Members of the Audit Committee are qualified, experienced and possess sound knowledge of finance, accounting practices and Internal Controls.

During the year under review, four (04) meetings were held viz., on May 10, 2017, August 23, 2017, November 20, 2017, and February 13, 2018.

The Composition of Audit Committee and details of attendance of the members during the year 2017-18 are as under:

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

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

**Mr. Anant V. Rajwade resigned as a Non-Executive and Independent Director w. e. f. November 04, 2017 and consequently ceased to be a member of this Committee.*

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

Mr. Sudhir Joshi, Chairman of the Audit Committee sought leave of absence from attending the 22nd Annual General Meeting, due to other professional commitments and authorized Dr. N. L. Sarda, Member of Audit Committee to attend and respond to the queries raised by the shareholders at the said AGM.

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

ii) Nomination and Remuneration Committee

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

a) The terms of reference of the Committee inter alia, includes:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the Directors, Key Managerial Personnel (KMP) and other employee
- Lay down criteria for identifying and selection of candidates for appointment as Directors;
- Independent Directors and KMP and other Senior Management positions;
- To recommend to the Board, appointment, removal of Directors, Senior Management Personnel and KMP in accordance with the criteria laid down;
- Succession planning of the Board of Directors and Senior Management Employees;
- Recommendation to the Board on remuneration of Managing Director/Executive Directors/KMP and also revision in remuneration;
- Formulation of the criteria for evaluation of performance of every Director and carry out performance evaluation of Directors and to recommend to the Board on whether to extend or continue the term of appointment of Independent Director;
- Devising a policy on Board Diversity;
- Formulate and review the policy for selection and appointment of Directors, Key Managerial Personnel and senior management employees and their remuneration;
- 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).

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.

b) Nomination and Remuneration Policy

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

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

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

The commission paid to the Directors (Independent and Non-Executive) of the Company is in accordance with the approval granted by the shareholders of the Company and in compliance with the Companies Act, 2013 read with the Rules issued thereunder. The Company has not granted any stock options to any of its Independent Directors. The Nomination and Remuneration Policy of the Company has been uploaded and can be accessed on the Company's website at:

http://www.cybertech.com/financialReports/corporatePolicies/CSSL%20Remuneration%20Policy.pdf

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

During the year under review, one (01) meeting of the Nomination and Remuneration Committee was held on August 23, 2017.

The Composition of the Nomination and Remuneration Committee and details of attendance of the members during the year 2017-18 are as under:

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

**Mr. Anant V. Rajwade resigned as a Non-Executive and Independent Director w. e. f. November 04, 2017 and consequently ceased to be a member of this Committee.*

d) Performance Evaluation

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

The Independent Directors in their separate meeting held on March 13, 2018, reviewed the performance of the Chairman, Executive Director and other Non-Executive Directors on the Board of the Company. They also assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties. The performance evaluation of the Independent Directors was carried out by the entire Board.

e) Remuneration to Non-executive Directors for the Financial Year 2017-18:

(₹ in Lakhs)

Name	Designation	Salary	Commission	Sitting fees	Total *
Mr. Vish Tadimety	Chairman	Nil	Nil	1.00	1.00
Ms. Amogha Tadimety	Director	Nil	Nil	0.80	0.80
Mr. Steven Jeske	Director	Nil	Nil	0.80	0.80
Mr. Wim Elfrink	Director	Nil	Nil	0.80	0.80

Mr. Sudhir Joshi	Director	Nil	1.50	1.80	3.30
Mr. Anant. V. Rajwade#	Director	Nil	1.50	1.00	2.50
Mr. M.P. Bharucha	Director	Nil	3.00	0.80	3.80
Dr. N.L. Sarda	Director	Nil	1.50	1.80	3.30
Dr. Shreepad Karmalkar	Director	Nil	1.00	0.40	1.40
Ms. Angela C. Wilcox@	Additional Director	Nil	Nil	Nil	Nil

@Ms. Angela C. Wilcox (DIN: 08068715) has been appointed as an Additional Director (Independent and Non-Executive) with effect from February 13, 2018.

 # Mr. Anant V. Rajwade resigned as a Non-Executive and Independent Director w. e. f. November 04, 2017.

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

f. Remuneration paid to Executive Director

The remuneration paid to Mr. Ramasubramanian Sankaran, Executive Director for the Financial Year 2017-18 is ₹76.39 Lakhs inclusive of perquisites amounting to ₹ 20.42 Lakhs.

Mr. Ramasubramanian Sankaran, Executive Director has also been granted Employee Stock Options under the Employee Stock Option Plan (ESOP) of the Company, apart from the aforesaid remuneration. The details of the ESOP granted to the Executive Director is detailed in Item No. 6 of the explanatory statement annexed to the notice of 23rd AGM.

There is no separate provision for payment of severance fees.

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

iii) Stakeholders' Relationship Committee

a) Composition and attendance at Stakeholders' Relationship Committee Meeting

In compliance with Regulation 20 of the SEBI (LODR) Regulations 2015, the Board has constituted the Stakeholders' Relationship Committee inter alia to consider and review the complaints received from shareholders. Details of share transfers/ transmissions approved by the Committee are placed at the Board Meetings from time to time. The Board has delegated the authority to allot equity shares against the Stock Options exercised by the employees/ Directors, granted to them under the Employees Stock Option Plan (ESOP) of the Company, to the Stakeholders' Relationship Committee.

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

The Composition of Stakeholders' Relationship Committee during the year 2017-18 is as under:

S. No.	Name	Designation & Category
1	Mr. Sudhir Joshi#	Chairman, Independent Director
2	Mr. Anant V. Rajwade*	Member, Independent Director
3	Dr. N.L. Sarda	Member, Independent Director
4	Dr. Shreepad Karmalkar	Member, Independent Director
5	Mr. Ramasubramanian Sankaran	Member, Non-Independent Director

** Mr. Anant V. Rajwade Resigned as an Independent Director w. e. f. November 04, 2017 and consequently ceased to be a member of this Committee.*

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

b) Name, designation and address of Compliance Officer:

Ms. Sarita Leelaramani
Company Secretary and Compliance Officer
CyberTech Systems and Software Limited
'CyberTech House', Plot No. B-63/64/65
Road No. 21/34, J. B. Sawant Marg, MIDC
Wagle Estate, Thane (W)-400604
T +91-22-2583 4643/44
Exclusive e-mail id for Investor Grievances: **cssl.investors@cybertech.com**

Details of investor complaints received and redressed during the year 2017-18 are as follows:

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

c) Transfer of Equity Shares of the Company to DEMAT Account of Investor Education and Protection Fund (IEPF) Authority

In terms of the provisions of Section 124 (6) of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended from time to time the Equity Shares held by the shareholders in respect of which dividend entitlements have remained unclaimed or unpaid for seven consecutive years or more has to be compulsorily transferred to the DEMAT account of the IEPF Authority by the Company within 30 days from the due date i.e., October 31, 2017 in accordance with notification dated October 13, 2017 and General circular No 12/2017 dated October 16, 2017 issued by MCA. Accordingly, 53,457 Equity Shares were transferred to the Authority's DEMAT Account with NSDL.

The Company has uploaded complete details of such shares on its website http://www.cybertech.com/investors/unclaimeddividend.aspx Also, Shareholders whose names are appearing in the list in the aforesaid link shall claim refund from IEPF Authority by accessing the link http://www.iepf.gov.in/IEPFA/refund.html and filling out the e-Form IEPF-5.

iv) Corporate Social Responsibility Committee

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

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

During the year under review, no CSR Committee meeting was held . However, a circular resolution was passed by the committee on March 29, 2018, approving the CSR expenditure for the F.Y. 2017-18.

The composition of Corporate Social Responsibility Committee for the year 2017-18 is as under:

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

A Report on CSR is provided as an annexure to Board's Report.

4. General Body meetings

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

Year	Venue	Date	Time	Special Resolutions passed
2014-15	'CyberTech House' Plot No. B-63/64/65 Road No. 21/34, J. B. Sawant Marg, MIDC, Wagle Estate, Thane (West)-400604	September 30, 2015	03.30 p.m.	(1) Re-appointment of Mr. Ramasubramanian Sankran (DIN: 05350841) as an Executive Director of the Company. (2) Ratification of the Remuneration paid to Executive Director of the Company, Mr. Ramasubramanian Sankran, (3) Payment of Commission to Independent Directors

2015-16	'CyberTech House' Plot No. B-63/64/65 Road No. 21/34, J. B. Sawant Marg, MIDC, Wagle Estate, Thane (West)-400604	September 30, 2016	04.30 p.m.	(1) Creation of Charge /Mortgage/Pledge on assets of the Company. (2) Authorization to the Board to borrow not exceeding ₹50,00,00,000/- (Rupees Fifty Crores) [including the money already borrowed by the Company] under Section 180(1)(c) of the Companies Act, 2013. (3) Approval for Qualified Institutional Placement on Private Placement Basis, in one or more tranches, to Qualified Institutional Buyers (QIBs) by way of Qualified Institutional Placement ('QIP').
2016 – 17	'CyberTech House' Plot No. B-63/64/65 Road No. 21/34, J. B. Sawant Marg, MIDC, Wagle Estate, Thane (West)-400604	September 28, 2017	04.00 p.m.	Ratification of the Remuneration paid to Mr. Ramasubramanian Sankaran, Executive Director of the Company.

ii. Details of special resolution passed through postal ballot:

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

5 Disclosures

i) Statutory Compliance, Penalties/Strictures

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

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

ii) Related Party Transactions

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

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

iii) Subsidiary

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

http://www.cybertech.com/financialReports/corporatePolicies/Policy_on_Material_Subsidiary.pdf

iv) Vigil Mechanism / Whistle Blower Policy

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

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

http://www.cybertech.com/financialReports/corporatePolicies/Vigil_Mechanism_Policy.pdf

6. Compliance with Mandatory and Non-Mandatory Requirements

Mandatory Requirements:

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

Non-Mandatory Requirements:

Particulars		Status
A.	**The Board** Non-Executive Chairperson may be entitled to maintain a chairperson's office at the listed entity's expense and also allowed reimbursement of expenses incurred in performance of his duties.	Complied
B.	**Shareholder Right** A Half- Yearly declaration of financial performance including summary of significant events in last six-months, may be sent to each household of shareholders	Complied, as the Company's half-yearly results are published in leading English and Marathi newspaper and also uploaded on the website of the Company, hence, the same are not to the shareholders of the Company
C.	**Modified opinion in audit report** The listed entity may move towards a regime of financial statements with unmodified opinion	Complied, there are no qualification the Audit Report
D.	**Separate posts of chairperson and chief executive officer** The listed entity may appoint separate persons to the posts of chairperson and Managing Director or chief executive officer	Complied, as the Chairperson is Non-executive and as there is no chief executive officer in the Company. The Company has only one Whole-Time Director.
E.	**Reporting of internal auditor** The internal auditor may report directly to the audit committee	Complied, The Internal Auditors of the Company are present in each Audit Committee Meeting and directly interacts with Audit Committee Members.

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

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

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

9. Disclosure of Accounting Treatment

The financial statements are prepared on accrual basis of accounting and are in compliance with Indian Accounting Standards (Ind AS), applicable provisions of the Companies Act, 2013 (the Act) and rules made thereunder.

10. Model Code of Conduct for Directors and Senior Management Team

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

All the Board Members and Senior Management Personnel have affirmed compliance with Code of Conduct of the Company for the year ended March 31, 2018. A declaration **(Annexure I)** to this effect signed by Mr. Ramasubramanian S., Executive Director of the Company forms part of this Report.

11. CEO/CFO Certification

In terms of requirement of Regulation 17(8) of SEBI (LODR) Regulations, 2015, Mr. Praveen Agarwal, Chief Financial Officer has furnished certificate **(Annexure II)** to the Board in the prescribed format. The certificate has been reviewed by the Audit Committee and taken on record by the Board at the meeting held on May 09, 2018.

12. Directors' Responsibility Statement

The draft Directors' Responsibility Statement signed by Executive Director on behalf of the Board dated August 13, 2018 which is included in the Board's Report for F.Y.2017-18, has been reviewed by the Audit Committee at its meeting held on August 13, 2018.

13. Reconciliation of Share Capital Audit Report

In terms of the provisions of Clause 55A of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, Reconciliation of Share Capital Audit was carried out on a quarterly basis by M/s. Anant Amdekar & Associates, Company Secretaries, Thane for F.Y. 2017-18 towards reconciliation of the total admitted capital with National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") and those held in physical form with the total issued, paid up and listed capital of the Company. The audit report, inter alia, confirms that the Register of Members is duly updated and that demat/remat requests were confirmed within stipulated time etc. The said report is also submitted to BSE Limited and National Stock Exchange of India Limited.

14. Risk Management Policy

The Company has in place Risk Management System which takes care of risk identification, assessment and mitigation. There are no risks which in the

opinion of the Board threaten the existence of the Company. Risk factors and its mitigation are covered extensively in the Management Discussion and Analysis Report forming part of this Board's Report.

15. Code for Prevention of Insider Trading

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

16. Means of Communication

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

17. General Shareholder information:

a. Annual General Meeting for FY 2017-18

Date : Friday, September 28, 2018

Time : 04.00 P.M.

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

As required under Regulation 36(3) of the SEBI (LODR) Regulations, 2015, particulars of Directors seeking appointment/re-appointment at the ensuing AGM are given in the Notice of the AGM to be held on Friday, September 28, 2018.

b. Financial Calendar

Year ending : March 31
AGM in : September
Dividend Payment : The final dividend, if declared, will be Paid on or before October 26, 2018

c. Date of Book Closure / Record Date : September 22, 2018 to September 28, 2018

d. Financial Calendar (Tentative) : Results for the Quarter ending
June 30, 2018 – Second week of August, 2018
September 30, 2018 – Second week of November, 2018
December 31, 2018 – Second week of February, 2019
March 31, 2019 – Second week of May, 2019
Annual General Meeting – September, 2019

e. Listing on Stock Exchanges and Code : **National Stock Exchange of India Limited ("NSE")**
Exchange Plaza, C-1, Block G, Bandra Kurla Complex,
Bandra (East), Mumbai 400 051

BSE Limited
P. J. Towers, Dalal Street Fort, Mumbai 400 001
Annual Listing Fees have been paid to both the stock exchanges for the F.Y. 2017-18.

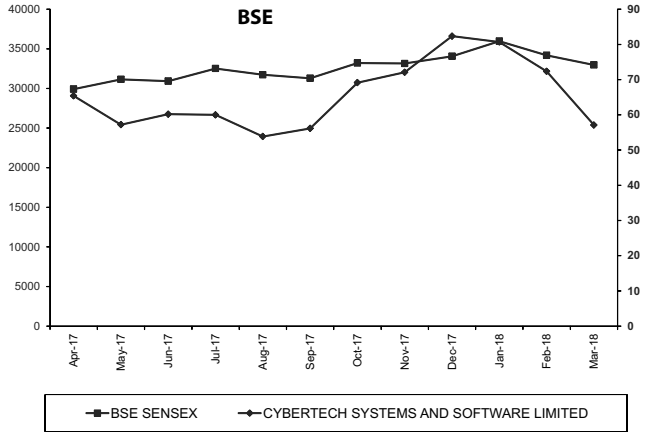
f. Scrip Code/ Symbol : NSE- CYBERTECH
BSE- 532173

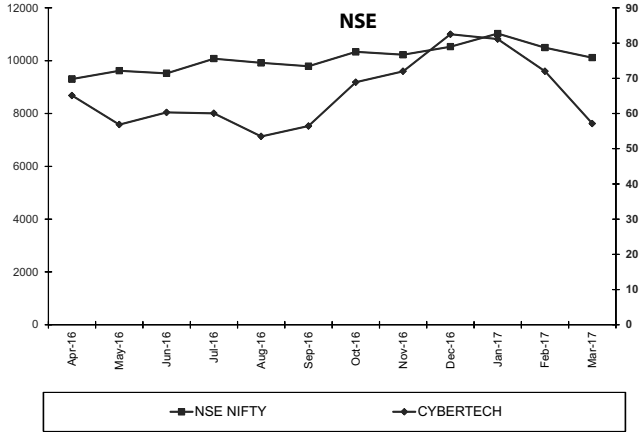
g. Market Price Data : High and Low during each month in the Financial Year 2017-18

Month	BSE		NSE	
	High	Low	High	Low
April 2017	80.40	64.65	80.00	64.50
May 2017	72.40	55.25	71.90	55.10
June 2017	67.80	55.70	68.00	55.20
July 2017	65.90	58.80	65.00	59.00
August 2017	60.85	48.00	60.85	48.10
September 2017	67.95	53.00	67.25	52.20
October 2017	75.50	55.75	75.50	55.50
November 2017	76.00	64.25	75.55	63.80
December 2017	87.20	68.20	87.50	67.95
January 2018	93.50	79.65	93.65	79.10
February 2018	83.00	69.00	83.00	68.50
March 2018	71.90	55.15	72.00	55.00

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

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





i. Registrar and Transfer Agents

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

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.

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

SEBI on June 8, 2018 notified SEBI (LODR) 4th amendment Regulations, 2018, regarding mandatory dematerialization for transfer of securities. Pursuant to the amendment to SEBI (LODR) Regulations, 2015 Shareholders holding Physical Shares Certificates are advised to ensure that shares which are lodged for transfer are mandatorily in dematerialized form with effect from December 05, 2018.

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

During the year under review, the Company has credited ₹ 3.16 Lakhs to the Investor Education and Protection Fund (IEPF) pursuant to the provisions of the Companies Act, 2013.

In accordance with the provisions of Companies Act, 2013 the Company has transferred 53,457 equity shares of ₹ 10/- each, to the credit of IEPF Authority, on November 28, 2017, in respect of which dividend had not been paid or claimed by the members for seven consecutive years or more as on the cut-off date, i.e. October 31, 2017. The Company has initiated necessary action for transfer of shares in respect of which dividend has not been paid or claimed by the members. The Company has uploaded on its website the details of unpaid and unclaimed amounts lying with the Company and details of shares transferred to IEPF during financial year.

l. Distribution of shareholding :

i) Summary of Shareholding Pattern as on March 31, 2018:

Category of Shareholder	Number of Shareholders	% of Shareholders	Number of Shares held	% of Shareholding
Promoter & Promoter Group	08	0.07	1,02,45,610	37.37
Public	11,330	99.93	1,71,68,983	62.63
Total	**11,338**	**100.00**	**2,74,14,593**	**100.00**

ii) Distribution of Shareholding as on March 31, 2018:

Category of Shares	Number of Shareholders	% of Shareholders	Number of Shares held	% of Shareholding
1 - 500	9369	80.68	1446446	5.28
501 - 1000	1012	8.72	833608	3.04
1001 - 2000	560	4.82	845409	3.08
2001 - 3000	167	1.44	419928	1.53
3001 - 4000	108	0.93	381941	1.39
4001 - 5000	75	0.65	354292	1.29
5001 - 10000	129	1.11	901585	3.29
10001 and	159	1.47	22150894	82.43
Above	192	1.65	22231384	81.09
Total	**11612**	**100**	**27414593**	**100**

iii) Top Ten Shareholders of the Company as on March 31, 2018:

S. No.	Name of the Shareholder	Number of equity shares held	Percentage of Holding
1	Vish Tadimety	56,24,870	20.52
2	Indotech Holdings LLC	39,00,000	14.23
3	Steven Jeske	24,31,433	8.87
4	Joseph Michael Vanek	13,62,000	4.97
5	Sukhada Tadimety	11,21,592	4.09
6	Prasad Rao Vellaturi	8,17,353	2.98
7	Red Banyan Holdings LLC	6,50,000	2.37
8	Ashok Kumar Jain	3,39,271	1.24
9	Aparna V. Goud	2,59,315	0.96
10	Amogha Tadimety	2,54,320	0.93

m. Bifurcation of shares held in physical and demat form as on March 31, 2018

Particulars	No. of Shares	Percentage (%)
Physical Segment	4848430	17.69
Demat Segment		
NSDL (A)	18869462	68.83
CDSL (B)	3696701	13.48
Total (A+B)	22566163	82.31
Total	**27414593**	**100.000**

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

The Company has paid the annual Custody Fees to Central Depository Services (India) Limited and National Securities Depository Limited for the F.Y. 2017-18.

n. Outstanding GDRs /ADRs /Warrants or any Convertible instruments, Conversion date and likely impact on equity:

Forfeiture of Share Warrants

The Company had issued Ten Lakhs (1,000,000) warrants @ ₹67 /- per share warrant, which were convertible into an equivalent number of Equity Shares pursuant to a conversion option exercisable by the allottee within a period of 18 months from the date of allotment. The warrants were allotted on October 27, 2016 upon payment of ₹16.75 per warrant (being 25%). The balance ₹50.25 per warrant (75%) was to be paid on exercise of conversion option by the Share warrant holder on or before 26th April, 2018.

The Company did not receive any remittance or intimation towards the balance amount for conversion of Shares Warrants from the share warrant holder. Therefore as per SEBI (ICDR} Regulations, 2009, the warrants were cancelled and the consideration paid at the time of issuance was forfeited.

o. Plant Locations : Not applicable

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

For CyberTech Systems and Software Ltd.

Sd/-

Vish Tadimety
Chairman
DIN: 00008106

Place: Trevose PA, US
Date: August 13, 2018

Corporate Governance Certificate

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

We have examined the compliance of conditions of Corporate Governance by CyberTech Systems and Software Limited ("Company") stipulated in Regulations 17-27 and clauses (b) to (i) of Regulation 46 (2) and para C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') for the year 1st April, 2017 to 31st March, 2018.

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

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

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

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

For S. Anantha & Ved LLP
Company Secretaries

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

Place: Mumbai
Date: August 13, 2018

ANNEXURE I

Compliance with Code of Conduct

Pursuant to the Schedule V (Part D) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I, Ramasubramanian S. (DIN: 05350841), Executive Director of CyberTech Systems and Software Limited ("the Company") hereby confirm that the Company has obtained from all the members of the Board and Senior Management Personnel, affirmation(s) that they have complied with the Code of Conduct for Board of Directors and Senior Management for the financial year ended March 31, 2018.

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

Sd/-

Ramasubramanian S.
DIN: 05350841
Executive Director

Place:Thane
Date:August 13, 2018

ANNEXURE II

C. F. O. Certification under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

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

(a) I have reviewed the financial statements and the cash flow statement for the year ended on March 31, 2018 and based on my knowledge and belief, I state that:

  (i) These statements do not contain any materially untrue statement or omit any material fact or contain any statement that might be misleading;
  (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws, and regulations.

(b) I further state that to the best of my knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal, or violative of the Company's code of conduct.

(c) I accept the responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps have been taken or propose to taken to rectify these deficiencies.

(d) I have indicated, based on my most recent evaluation, wherever applicable, to the Auditors and Audit Committee:

  (i) Significant changes, if any, in the internal control over financial reporting during the year;
  (ii) Significant changes, if any, in the accounting policies made during the year and that the same has been disclosed in the notes to the financial statements; and
  (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

For CyberTech Systems and Software Ltd.

Sd/-

Praveen Agarwal
Chief Financial Officer

Place: Thane
Date: May 09, 2018

CYBERTECH SYSTEMS AND SOFTWARE LIMITED
STANDALONE
FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR 2017-18

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CYBERTECH SYSTEMS & SOFTWARE LIMITED

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone financial statements of **CYBERTECH SYSTEMS & SOFTWARE LIMITED** ("the Company"), which comprise the Standalone Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash flows, the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "Standalone Ind AS Financial Statements").

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act and relevant rules thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS 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 Standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Standalone Ind AS financial statements are free from material misstatement.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by the Act, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018 and its profit (including other comprehensive income), its cash flows and changes in equity for the year ended on that date

Other Matters

Opening balances have been considered based on the audited financial statements prepared under previous Generally Accepted Accounting Practices (Previous GAAP) issued by the other auditors whose unqualified audit report dated 10th May, 2017 have been furnished to us. The differences arise from transition from previous GAAP to Ind AS have been derived from such audited financial statements.

Report on Other Legal and Regulatory Requirements

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

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

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Standalone Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Cash flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors as on 31st March, 2018 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018, from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(g) With respect to other matter to be included in the Auditor's Report in accordance with the Rule 11 of the Companies (Audit and Auditors) Rules, 2014 , in our opinion and to the best of our information and according to the explanations given to us :

i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Ind AS financial statements- Refer Note 31 to the Standalone Ind AS financial statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For BAGARIA & CO. LLP
Chartered Accountants
Firm Registration No: 113447W/W-10019

Vinay Somani
Partner
Membership No. 143503

Place : Mumbai
Date : May 9, 2018

"ANNEXURE A"

ANNEXURE REFERRED TO IN PARAGRAPH "REPORT ON OTHER LEGAL AND REGUALTORY REQUIREMENTS" OF OUR REPORT TO THE MEMBERS OF "THE COMPANY"FOR THE YEAR ENDED 31ST MARCH, 2018

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

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

practices in India and according to the information and explanations given to us, all transactions with the related party are in compliance with Section 177 and 188 of the Act and the details have been disclosed as required by the applicable Ind AS in Note 32 to the Standalone Ind AS Financial Statements.

14. The Company has not made preferential allotment or private placement of shares during the year.

15. Based on the information and explanations given to us, the Company has not entered into any non-cash transactions prescribed under Section 192 of the Act with directors or persons connected with them during the year. Therefore, the provisions of clause 3(xv) of the Order are not applicable to the Company.

16. In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Therefore, the provisions of clause 3(xvi) of the Order are not applicable to the Company.

For BAGARIA & CO. LLP
Chartered Accountants
Firm Registration No: 113447W/W-10019

Vinay Somani
Partner
Membership No. 143503

Place : Mumbai
Date : May 9, 2018

"ANNEXURE B"

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

We have audited the internal financial controls over financial reporting of **CYBERTECH SYSTEMS & SOFTWARE LIMITED** ("the Company") as of March 31, 2018 in conjunction with our audit of the Standalone Ind AS Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has broadly, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For BAGARIA & CO. LLP
Chartered Accountants
Firm Registration No: 113447W/W-10019

Vinay Somani
Partner
Membership No. 143503

Place : Mumbai
Date : May 9, 2018

Balance Sheet as at March 31, 2018

(₹ in Lakhs)

Particulars	Note	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
I. ASSETS				
1 Non-current assets				
Property, plant and equipment	**2**	3,601.46	3,721.90	3,362.84
Capital work - in - progress	**3**	750.72	736.15	754.81
Intangible assets	**4**	216.56	374.43	529.19
Intangible assets under development	**5**	259.83	53.50	-
Financial Assets				
Investments	**6**	2,333.85	2,376.82	1,534.03
Other financial assets	**7**	20.41	18.00	25.23
Other non - current assets	**8**	11.82	29.29	10.78
Total non-current assets		**7,194.65**	**7,310.09**	**6,216.88**
2 Current assets				
Financial assets				
Investments	**9**	617.30	578.57	1,169.21
Trade receivables	**10**	3,194.11	2,731.73	2,007.46
Cash and cash equivalents	**11**	423.41	19.48	14.93
Bank balances other than above	**12**	113.67	365.51	416.04
Loans	**13**	0.56	71.68	2.68
Other financial assets	**14**	492.17	867.08	399.42
Other current assets	**15**	92.83	155.11	404.04
Total current assets		**4,934.05**	**4,789.16**	**4,413.78**
Total assets		**12,128.70**	**12,099.25**	**10,630.66**
II EQUITY AND LIABILITIES				
1 Equity				
Equity share capital	**16**	2,741.46	2 ,707.83	2,687.13
Other equity	**17**	5,921.72	5 ,999.16	5,201.67
Total equity		**8,663.18**	**8 ,706.99**	**7,888.80**
Liabilities				
2 Non-current liabilities				
Financial liabilities				
Borrowings	**18A**	-	-	4.08
Other financial liabilities	**20**	138.43	133.96	137.23
Deferred tax liabilities (net)		211.81	286.01	314.91
Total non current liabilities		**350.24**	**419.97**	**456.22**
3 Current liabilities				
Financial liabilities				
Borrowings	**18B**	1,092.54	996.45	1,064.67
Trade payables	**19**	633.83	474.19	347.30
Other financial liabilities	**20**	93.61	149.49	88.52
Other current liabilities	**21**	120.99	167.74	98.61
Provisions	**22**	195.20	170.31	153.65
Current tax Liabilities (net)	**23**	979.11	1 ,014.11	532.89
Total current liabilities		**3,115.28**	**2 ,972.29**	**2,285.64**
Total equity and liabilities		**12,128.70**	**12,099.25**	**10,630.66**
Significant Accounting Policies	**1B**			

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

As per our report of even date

For BAGARIA & CO. LLP
Chartered Accountants
Firm Registration Number - 113447W/W-10019

Vinay Somani
Partner
M. No. 143503

Place: Mumbai
Date: May 09, 2018

For and on behalf of the Board of Directors

Sudhir Joshi
Director
DIN: 00349597

Praveen Agarwal
Chief Financial Officer

Ramasubramanian Sankaran
Executive Director
DIN: 05350841

Sarita Leelaramani
Company Secretary
ACS35587

Statement of Profit and Loss for the year ended March 31, 2018

(₹ in Lakhs)

	Particulars	Note	For the year ended March 31, 2018	For the year ended March 31, 2017
I	**Revenue from Operations**	**24**	5 ,106.74	5,587.23
II	**Other Income**	**25**	814.07	922.31
III	**Total Income (I + II)**		**5,920.81**	**6,509.54**
IV	**Expenses**			
	Cost of hardware/software package for service delivery and outsourced project cost		511.87	712.87
	Employee benefits expense	**26**	3,322.98	3 ,195.80
	Finance costs	**27**	186.95	140.46
	Depreciation and amortization expense	**28**	459.35	418.60
	Other expenses	**29**	1,165.66	847.88
	Total expenses (IV)		**5,646.81**	**5,315.61**
V	**Profit before tax (III - IV)**		**274.00**	**1,193.93**
VI	**Tax expense**			
	Current tax		160.00	325.00
	Deferred tax (credit)		(73.51)	(23.41)
	Taxation adjustments for earlier years		(8.44)	11.92
			78.05	**313.51**
VII	**Profit for the year (V - VI)**		**195.95**	**880.42**
VIII	**Other Comprehensive Income**			
	Items that will not be reclassified to profit or loss			
	Remeasurements of net defined benefit plans		2.53	15.86
	Income tax relating to items that will not be reclassified to profit or loss		(0.69)	(5.49)
	Other Comprehensive Income for the year (VIII)		**1.84**	**10.37**
IX	**Total Comprehensive Income for the year (VII - VIII)**		**194.11**	**870.05**
X	**Earnings per equity share of ₹ 10 each:**			
	Basic	**30**	0.72	3.26
	Diluted	**30**	0.70	3.16
	Significant Accounting Policies	**1B**		
	The accompanying notes are an integral part of the standalone financial statements.			

As per our report of even date

For BAGARIA & CO. LLP
Chartered Accountants
Firm Registration Number - 113447W/W-10019

Vinay Somani
Partner
M. No. 143503

Place: Mumbai
Date: May 09, 2018

For and on behalf of the Board of Directors

Sudhir Joshi
Director
DIN: 00349597

Ramasubramanian Sankaran
Executive Director
DIN: 05350841

Praveen Agarwal
Chief Financial Officer

Sarita Leelaramani
Company Secretary
ACS35587

Statement of changes in equity for the year ended March 31, 2018

(A) Equity

(₹ in Lakhs)

	Amount
Balance as at April 01, 2016	**2,687.13**
Changes in share capital during the year	20.70
Balance as at March 31, 2017	**2,707.83**
Changes in share capital during the year	33.63
Balance as at March 31, 2018	**2,741.46**

(B) Other Equity

(₹ in Lakhs)

Particulars	Securities Premium Reserve	Equity Settled Employee Benefits Reserve	Retained Earnings	Other Comprehensive Income {Other acturial gains/(losses)}	Money received against share warrants	Total
Balance as at 1st April, 2016	**1,672.95**	**39.77**	**3,488.96**	**-**	**-**	**5,201.67**
Money received against share warrants (Refer note no. 41)	-	-	-	-	167.50	**167.50**
Received during the year on issue of shares under ESOP	13.90	-	-	-	-	**13.90**
Profit for the year	-	-	880.42	-	-	**880.42**
Other Comprehensive Income for the year	-	-	-	(10.37)	-	**(10.37)**
Employee share based payment	-	71.56	-	-	-	**71.56**
Dividend paid (including dividend distribution tax of ₹ 54.70 lakhs)	-	-	(325.52)	-	-	**(325.52)**
Balance as at 31st March, 2017	**1,686.85**	**111.33**	**4,043.86**	**(10.37)**	**167.50**	**5,999.16**
Received during the year on issue of shares under ESOP	20.90	-	-	-	-	**20.90**
Profit for the year	-	-	195.95	-	-	**195.95**
Other Comprehensive Income for the year	-	-	-	(1.84)	-	**(1.84)**
Employee share based payment	-	37.49	-	-	-	**37.49**
Dividend paid (including dividend distribution tax of ₹ 55.81 Lakhs)	-	-	(329.96)	-	-	**(329.96)**
Balance as at 31st March, 2018	**1,707.75**	**148.82**	**3,909.85**	**(12.21)**	**167.50**	**5,921.72**

Significant Accounting Policies **1B**

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

As per our report of even date

For BAGARIA & CO. LLP
Chartered Accountants
Firm Registration Number - 113447W/W-10019

Vinay Somani
Partner
M. No. 143503

Place: Mumbai
Date: May 09, 2018

For and on behalf of the Board of Directors

Sudhir Joshi
Director
DIN: 00349597

Ramasubramanian Sankaran
Executive Director
DIN: 05350841

Praveen Agarwal
Chief Financial Officer

Sarita Leelaramani
Company Secretary
ACS35587

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2018

(₹ in Lakhs)

	Particulars		For the year ended March 31, 2018		For the year ended March 31, 2017
A.	**Cash flow from operating activities**				
	Profit before tax		**274.00**		**1,193.93**
	Adjustments to reconcile net profit to net cash provided by operating activities :				
	Depreciation and amortisation expense	459.35		418.60	
	Unrealised foreign exchange gain	(16.53)		60.68	
	Loss on assets disposed / discarded (Net)	20.89		1.03	
	Interest income	(37.68)		(251.99)	
	Interest expenses	186.95		104.21	
	Provision for doubtful debts & Credit loss	204.08		1.87	
	Sundry balances written back (Net)	(8.00)		(5.16)	
	Employee share based payments	37.49		61.18	
	Capitalisation of Intangible assets under development	(206.33)		(53.50)	
	Profit on sale of investments	(8.15)		-	
	Gain on fair valutaion of Investments in Mutual funds	(95.77)		(83.02)	
			536.30		**253.90**
	Operating profit before working capital changes		**810.30**		**1,447.83**
	Adjustments for:				
	(Increase) in Trade receivables	(649.90)		(697.49)	
	Decrease/(Increase) in Loans, Other financial assets and Other assets	775.21		(278.53)	
	Increase in Trade and other financial liabilities and other liabilities	93.80		32.06	
			219.11		**(943.96)**
	Cash generated from operations		**1,029.41**		**503.87**
	Direct taxes paid (net)		(186.57)		**322.03**
	Net cash generated from operating activities (A)		**842.84**		**825.90**
B.	**Cash flow from investing activities**				
	Purchase of property,plant & equipment(Includng CWIP)		(217.83)		(634.46)
	Purchase of Intangible assets		(0.30)		
	Sale of property,plant & equipment		1.63		1.16
	Purchase of investments		-		(825.00)
	Sale of Investments		108.15		655.88
	Deposits with banks		-		34.15
	Interest received		37.68		247.90
	Net cash used in investing activities (B)		**(70.67)**		**(520.37)**
C.	**Cash flow from financing activities**				
	Proceeds/(Repayments) from short-term borrowings (Net) (refer note 1 below)		96.09		(68.21)
	Repayment of long-term borrowings (refer note 1 below)		-		(4.08)
	Equity issue (ESOP) proceeds (including securities premium)		54.52		34.60
	Money received/(Paid) against share warrants		(1.94)		169.44
	Interest paid		(186.95)		(104.27)
	Dividend and Dividend Tax paid thereon		(329.96)		(328.46)
	Net cash used in financing activities (C)		**(368.24)**		**(300.98)**

Net Increase in cash & cash equivalents (A + B + C)	**403.93**	**4.55**
Cash & cash equivalents - Opening	19.48	14.93
Cash & cash equivalents - Closing	**423.41**	**19.48**

Note 1

Changes in liability arising from financing activities	**As at April 01,2017**	**Cash Flows**	**As at March 31, 2018**
Borrowings - Current (Refer note no. 18B)	996.45	96.09	`1,092.54

Significant Accounting Policies **1B**

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

As per our report of even date

For BAGARIA & CO. LLP
Chartered Accountants
Firm Registration Number - 113447W/W-10019

Vinay Somani
Partner
M. No. 143503

Place: Mumbai
Date: May 09, 2018

For and on behalf of the Board of Directors

Sudhir Joshi
Director
DIN: 00349597

Praveen Agarwal
Chief Financial Officer

Ramasubramanian Sankaran
Executive Director
DIN: 05350841

Sarita Leelaramani
Company Secretary
ACS35587

Notes to financial statements for the year ended March 31, 2018

'NOTE '1'

A. CORPORATE INFORMATION:

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

The Company is a public limited company incorporated and domiciled in India and has its registered office in Thane, India. The Company has its primary listings on the BSE Limited and National Stock Exchange Limited in India."

B. SIGNIFICANT ACCOUNTING POLICIES:

(i) Basis of Preparation of Financial Statements:

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

These financial statements for the year ended 31st March, 2018 are the first financials with comparatives, prepared under Ind AS. For all previous periods including the year ended 31st March, 2017, the Company had prepared its financial statements in accordance with the accounting standards notified under Companies (Accounting Standard) Rule, 2006 (as amended) and other relevant provisions of the Act (hereinafter referred to as 'Previous GAAP') used for its statutory reporting requirement in India.

Refer Note 43 for the details of significant first-time adoption exemptions availed by the Company and an explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, performance and cash flows.

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

(i) Certain financial assets and liabilities are measured at Fair value - Refer note no.1(B)(vii)

(ii) Defined benefit employee plan - Refer note no.1(B)(xi)

(iii) Derivative Financial instruments - Refer note no.1(B)(vii)

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

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

(ii) Use of Estimates and judgments:

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

Critical accounting judgements and key source of estimation uncertainty

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

(a) Recognition and measurement of defined benefit obligations, key actuarial assumptions - Refer Note no. 1(B)(xiii)

(b) Estimation of current tax expenses and payable - Refer note no. 1(B)(xii)

(iii) Property, plant and equipment (PPE)

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

The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes,

Notes to financial statements for the year ended March 31, 2018

after deducting trade discounts and rebates, any directly attributable costs of bringing the asset to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the item and restoring the site on which it is located.

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

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

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

(iv) Intangible assets

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

(v) Depreciation and Amortization:

(a) Property plant and equipment (PPE)

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

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

(b) Intangible assets

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

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

(vi) Financial Instruments:

Financial assets - Initial recognition:

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

Subsequent measurement:

Financial assets are subsequently classified as measured at:

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

The above classification is being determined considering the:

(a) the entity's business model for managing the financial assets and

(b) the contractual cash flow characteristics of the financial asset.

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

(i) Measured at amortised cost:

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

Notes to financial statements for the year ended March 31, 2018

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

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

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

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

Equity instruments:

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

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

Impairment

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

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

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

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

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

Derecognition

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

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

Notes to financial statements for the year ended March 31, 2018

Financial Liabilities

Initial Recognition and measurement

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

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

Subsequent measurement

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

Loans & Borrowings:

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

Financial Guarantee Contracts

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

De-recognition

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

Derivative financial instruments

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

Offsetting of financial instruments

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

(vii) Fair Value Measurement

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

(a) In the principal market for the asset or liability, or

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

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

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

(i) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

(ii) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Notes to financial statements for the year ended March 31, 2018

(iii) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

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

(viii) Cash and Cash Equivalents:

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

(ix) Foreign Currency Transactions:

"a) Initial Recognition

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

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

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

(x) Revenue Recognition:

"Revenue is measured at the value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates, discounts, and amounts collected on behalf of third parties.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and specific criteria have been met for each of the Company's activities as described below."

Rendering of Services

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.

Interest

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

Dividend

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

(xi) Employee Benefits:

"The Company has provides following post-employment plans:

(a) Defined benefit plans such a gratuity

(b) Defined contribution plans such as Provident fund

a) Defined-benefit plan:

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

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

(a) Service costs comprising current service costs, past-service costs, gains and losses on curtailment and non-routine settlements; and

(b) Net interest expense or income"

Notes to financial statements for the year ended March 31, 2018

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

Re-measurement comprising of actuarial gains and losses arising from

(a) Re-measurement of Actuarial(gains)/losses

(b) Return on plan assets, excluding amount recognized in effect of asset ceiling

(c) Re-measurement arising because of change in effect of asset ceiling

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

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

b) Defined-contribution plan:

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

c) Other employee benefits:

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

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

(xii) Taxes on Income:

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

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

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

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

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

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

(xiii) Borrowing Costs:

"General and specific borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalized as a part of Cost of that assets, during the period till all the activities necessary to prepare the Qualifying assets for its intended use or sale are

Notes to financial statements for the year ended March 31, 2018

complete during the period of time that is required to complete and prepare the assets for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are recognized as an expense in the period in which they are incurred."

(xiv) Earnings Per Share:

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

(xv) Leases:

Where the Company is Lessee

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

Where the Company is Lessor

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

(xvi) Unbilled Revenue

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

(xvii) Investment in Subsidiary

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

(xviii) Provisions, Contingent Liabilities and Contingent Assets:

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

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

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

Contingent assets are neither recognized nor disclosed in financial statements.

Notes to financial statements for the year ended March 31, 2018

2 Property, plant and equipment

(₹ in Lakhs)

	Land Leasehold	Buildings	Plant & equipment	Furniture & fixtures	Vehicles	Office equipment	Computers	Total
Gross carrying amount								
Deemed Cost as at April 01, 2016 (Refer note. (e) below)	23.79	2,237.92	290.36	599.43	40.29	40.39	130.66	3,362.84
Additions	-	-	4.64	489.88	11.00	24.39	91.27	621.18
Disposals	-	-	0.27	-	2.70	-	-	2.97
Balance as at March 31, 2017	23.79	2,237.92	294.73	1,089.31	48.59	64.78	221.93	3,981.05
Additions	-	-	1.27	89.53	4.52	13.67	94.28	203.27
Disposals	-	-	0.78	20.23	3.19	6.91	8.25	39.36
Balance as at March 31, 2018	23.79	2,237.92	295.22	1,158.61	49.92	71.54	307.96	4,144.95
Accumulated Depreciation								
Balance as at April 01, 2016	-	-	-	-	-	-	-	-
Depreciation charge for the year	0.50	45.40	47.75	103.54	7.87	8.28	46.57	259.91
Disposals	-	-	-	-	0.77	-	-	0.77
Balance as at March 31, 2017	0.50	45.40	47.75	103.54	7.09	8.28	46.57	259.14
Depreciation charge for the year	0.50	4 8.44	47.64	121.51	7.99	11.55	63.54	301.18
Disposals	-	-	0.46	5.57	1.18	4.77	4.83	16.82
Balance as at March 31, 2018	1.01	93.85	94.93	219.48	13.90	15.06	105.28	543.50
Net Block								
Balance as at April 01, 2016	23.79	2,237.92	290.36	599.43	40.29	40.39	130.66	3,362.84
Balance as at March 31, 2017	23.29	2,192.52	246.98	985.77	41.50	56.50	175.36	3,721.90
Balance as at March 31, 2018	22.78	2,144.07	200.29	939.12	36.02	56.48	202.68	3,601.46

Notes:

a. Refer note no. 18 for disclosure on property, plant and equipment pledged as security.

b. Refer note no. 31 for disclosure on contractual commitments for the acquisition of property, plant and equipment.

c. Land was taken on lease for 66 years from September, 1997.

d. Buildings include ₹ 0.04 lakhs (previous year ₹ 0.04 Lakhs) being the value of 80 (Previous Year 80) shares of ₹ 50 each in Acme Plaza Premises Co-operative Society Ltd.

"e. The Company has elected to continue with the net carrying value of all property, plant and equipment as at April 01, 2016 (Gross block: ₹ 5,115.40 Lakhs; Accumulated depreciation: ₹1,752.56 Lakhs) as per previous GAAP and used that as the deemed cost."

(₹ in Lakhs)

3 Capital work-in-progress	**As at March 31, 2018**	**As at March 31, 2017**	**As at April 01, 2016**
Building under construction	750.72	736.15	754.81

4 Intangible assets

(₹ in Lakhs)

Intangible assets	**Software**
Deemed cost as at April 01, 2016 (refer (a) below)	529.19
Additions	3 .93
Disposals	-
Balance as at March 31, 2017	**533.12**
Additions	0.30
Disposals	69.29
Balance as at March 31, 2018	**464.13**
Accumulated amortisation	
Balance as at April 01, 2016	
Amortisation for the year	158.69
Disposals	-
Accumulated amortisation as at March 31, 2017	**158.69**
Amortisation for the year	158.17
Disposals	69.29
Accumulated amortisation as at March 31, 2018	**247.57**
Net carrying amount as at April 01, 2016	**529.19**
Net carrying amount as at March 31, 2017	**374.43**
Net carrying amount as at March 31, 2018	**216.56**

(a) The Company has elected to continue with the net carrying value of all intangible assets as at April 01, 2016 (Gross block: ₹ 838.09 Lakhs; Accumulated amortisation: ₹308.90 Lakhs) as per previous GAAP and used that as the deemed cost.

Notes to financial statements for the year ended March 31, 2018

(₹ in Lakhs)

5 Intangible assets under development	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Software	259.83	53.50	-
Total	**259.83**	**53.50**	**-**

(₹ in Lakhs)

6 Investments - Non-current	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Unquoted, fully paid up			
Equity Instruments, Carried at Cost			
Investment in subsidiary			
Investment in Cybertech Systems and Software Inc., USA			
(wholly owned subsidiary)			
1,585,000 (As at March 31, 2017- 1,585,000, As at April 01, 2016- 1,585,000) common stocks of USD 0.01 each	725.65	725.65	725.65
1,500,000 (As at March 31, 2017- 1,500,000, As at April 01,2016- 1,500,000) common stocks of USD 1.00 each	808.39	808.39	808.39
	1,534.03	**1,534.03**	**1,534.03**
Investments in Mutual Funds - Unquoted			
Designated as Fair Value Through Profit and Loss			
UTI Banking & PSU Debt Fund - Dir - Growth NIL (As at March 31, 2017- 759,359.100, As at April 01, 2016- NIL) units of ₹10 each	-	101.76	-
UTI Income Opportunities Fund - Dir - Growth 3,432,014.329 (As at March 31, 2017- 3,432,014.329, As at April 01, 2016- NIL) units of ₹10 each	581.22	537.52	-
BNP Paribas Corporate Bond Fund - Dir - Growth 1,117,818.019 (As at March 31, 2017- 1,117,818.019, As at April 01, 2016- NIL) units of ₹10 each	218.60	203.51	-
	799.82	**842.79**	**-**
	2,333.85	**2,376.82**	**1,534.03**
Note:			
Aggregate amount of quoted investments and market value thereof	-	-	-
Aggregate amount of unquoted investments; and	**2,333.85**	**2,376.82**	**1,534.03**
Aggregate amount of impairment in value of investments	-	-	-

(₹ in Lakhs)

7 Other financial assets	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Non current			
Unsecured, considered good			
Security Deposits	20.41	18.00	25.23
Total	**20.41**	**18.00**	**25.23**

(₹ in Lakhs)

8 Other non-current assets	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Prepaid expenses	11.82	29.29	10.78
Total	**11.82**	**29.29**	**10.78**

(₹ in Lakhs)

9 Investments - current	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Designated as Fair Value Through Profit and Loss			
(Unquoted)			
Investments in Mutual Funds			
UTI Treasury Advantage Fund - Institutional Plan (Growth Option) 7650.55 (As at March 31, 2017- 7650.55, As at April 01, 2016- 7650.55) units of ₹1000 each*	182.89	172.55	158.67

Notes to financial statements for the year ended March 31, 2018

UTI Fixed Income Interval Fund - Annual Interval Plan Series - I - Institutional Growth Plan NIL (As at March 31, 2017- NIL, As at April 01,2016- 2,996,182.863) units of ₹10 each	-	-	635.10
UTI - Fixed Income Interval Fund - Annual Interval Plan Series - II - Direct Growth Plan 1,817,113.576 (As at March 31, 2017- 1,817,113.576, As at April 01, 2016- 1,817,113.576) units of ₹10 each*	434.41	406.02	375.44
	617.30	**578.57**	**1,169.21**
Aggregate amount of unquoted investments	617.30	578.57	1,169.21
Aggregate amount of impairment in the value of investment	-	-	-

*Refer note no 18B(ii)

(₹ in Lakhs)

10 Trade receivables	**As at March 31, 2018**	**As at March 31, 2017**	**As at April 01, 2016**
Unsecured, Considered good	3,194.11	2,731.73	2,007.46
Unsecured, Considered doubtful	221.83	28.08	26.22
Less: Allowance for bad and doubtful debts	(221.83)	(28.08)	(26.22)
Total	**3,194.11**	**2,731.73**	**2,007.46**

(₹ in Lakhs)

11 Cash and cash equivalents	**As at March 31, 2018**	**As at March 31, 2017**	**As at April 01, 2016**
Balances with Banks			
In current accounts	419.99	18.53	13.52
Cash on hand	3.42	0.95	1.41
Total	**423.41**	**19.48**	**14.93**

(₹ in Lakhs)

12 Bank balances other than above	**As at March 31, 2018**	**As at March 31, 2017**	**As at April 01, 2016**
Balances with Banks			
in unpaid dividend accounts	22.40	20.53	23.47
in fixed deposit accounts *			
-Deposits with maturity more than 3 months but less than 12 months	91.27	344.98	318.16
-Deposits with maturity more than 12 months	-	-	74.41
	113.67	**365.51**	**416.04**
*Fixed Deposits with Banks held as margin money against the following: Guarantees issued to Municipal Corporations	91.27	344.98	392.56

(₹ in Lakhs)

13 Loans	**As at March 31, 2018**	**As at March 31, 2017**	**As at April 01, 2016**
Unsecured, considered good			
Inter corporate deposits *	-	70.00	-
Loans to employees	0.56	1.68	2.68
Total	**0.56**	**71.68**	**2.68**

Disclosure u/s 186(4) of the Companies Act, 2013:
Pursuant to the requirements of Section 186(4), during previous year, the Company has given an intercorporate deposit to Sanimo Polymers Pvt Ltd @ 11% p.a. interest for business purpose.

(₹ in Lakhs)

14 Other financial assets	**As at March 31, 2018**	**As at March 31, 2017**	**As at April 01, 2016**
Unsecured, considered good			
Unbilled Revenues	421.88	785.83	358.43
Earmarked Deposits	15.00	15.00	-
Security Deposits	28.00	64.88	40.99
Interest receivable on deposits	6.48	1.37	-
Claims receivable	20.81	-	-
Total	**492.17**	**867.08**	**399.42**

Notes to financial statements for the year ended March 31, 2018

(₹ in Lakhs)

15 Other current assets	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Unsecured, considered good unless otherwise stated			
Advances for supply of goods and rendering of services		-	
-Considered good	9.63	3.65	85.78
-Considered doubtful	-	9.00	9.00
	9.63	**12.65**	**94.78**
Less: Provision for doubtful advances	-	(9.00)	(9.00)
	9.63	**3.65**	**85.78**
Prepaid expenses	57.33	90.26	64.81
Lease equalisation	2.48	19.93	-
Advances to employees	2.29	7.48	4.05
Balances with government authorities	-	15.03	56.53
Software package for service delivery	-	-	168.10
Other Receivables	21.10	18.76	24.77
Total	**92.83**	**155.11**	**404.04**

(₹ in Lakhs)

16 Equity share capital	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Authorised			
36,000,000 Equity Shares of ₹ 10 each	3,600.00	3,600.00	3 ,600.00
	3,600.00	**3,600.00**	**3 ,600.00**
Issued			
27,419,552 (As at March 31, 2017- 27,083,302, As at April 01,			
2016 -26,876,302) Equity Shares of ₹ 10 each	2,741.96	2,708.33	2,687.63
Subscribed and paid-up			
27,414,593 (As at March 31, 2017- 27,078,343, As at April 01,			
2016 - 26,876,302) Equity Shares of ₹ 10 each *	2,741.46	2,707.83	2 ,687.13
*[Allotment of **4,959** (Previous Year 4,959) bonus shares on **3,967** (Previous Year 3,967) equity shares is pending on account of non-establishment of beneficial ownership by National Securities Depository Limited]			
	2,741.46	**2,707.83**	**2 ,687.13**

(₹ in Lakhs)

a) Reconciliation of number of shares

	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Equity Shares :						
Balance as at the beginning of the year	27,078,343	2,707.83	26,871,343	2 ,687.13	26,871,343	2,687.13
Add: ESOP shares issued during the year	336,250	33.63	207,000	20.70	-	-
(Refer note no:-42)						
Balance as at the end of the year	**27,414,593**	**2,741.46**	**27,078,343**	**2,707.83**	**26,871,343**	**2,687.13**

b) Rights, preferences and restrictions attached to shares

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

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

	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Nos.	%	Nos.	%	Nos.	%
Vish Tadimety	5,624,870	20.52%	5,613,350	20.73%	5,613,350	20.89%
Indotech Holdings LLC	3,900,000	14.23%	3,900,000	14.40%	3,900,000	14.51%
Steven Jeske	2,431,433	8.87%	2,431,433	8.98%	2,431,433	9.05%

Notes to financial statements for the year ended March 31, 2018

d) During the previous five years, the Company has not issued Bonus shares/bought back shares/issued shares for considera on otherthan cash.

e) Refer note no. 42 in respect of Employee Stock option Plan (ESOP Plan)

Statement of changes in equity for the year ended March 31, 2018

(₹ in Lakhs)

17 Other Equity

Particulars	Securities Premium Reserve	Equity Settled Employee Benefits Reserve	Retained Earnings	Other Comprehensive Income {Other acturial gains/(losses)}	Money received against share warrants	Total
Balance as at April 01, 2016	**1,672.95**	**39.77**	**3,488.96**	**-**	**-**	**5,201.67**
Money received against share warrants (Refer note no. 41)	-	-	-	-	167.50	167.50
Received during the year on issue of shares under ESOP	13.90	-	-	-	-	1 3.90
Profit for the year	-	-	880.42	-	-	880.42
Other Comprehensive Income for the year	-	-	-	(10.37)	-	(10.37)
Employee share based payment	-	71.56	-	-	-	71.56
Dividend paid (including dividend distribution tax of ₹ 54.70 lakhs)	-	-	(325.52)	-	-	(325.52)
Balance as at March 31, 2017	**1,686.85**	**111.33**	**4,043.86**	**(10.37)**	**167.50**	**5,999.16**
Received during the year on issue of shares under ESOP	20.90	-	-	-	-	2 0.90
Profit for the year	-	-	195.95	-	-	195.95
Other Comprehensive Income for the year	-	-	-	(1.84)	-	(1.84)
Employee share based payment	-	37.49	-	-	-	3 7.49
Dividends paid (including dividend distribution tax of ₹ 55.81 Lakhs)	-	-	(329.96)	-	-	(329.96)
Balance as at March 31, 2018	**1,707.75**	**148.82**	**3,909.85**	**(12.21)**	**167.50**	**5,921.71**

(₹ in Lakhs)

18A Non current borrowings	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Measured at amortised cost			
Secured borrowings			
Term loans			
Vehicle Loans from Banks (Refer Note below)	-	-	4.08
Total Borrowings carried at Amortised Cost	**-**	**-**	**4.08**

Nature of Security and terms of repayment for Non Current

Nature of Security

i) The loans were secured by hypothecation of the vehicles purchased there against. Interest was paid @10.05% p.a.

Terms of Repayment

The Company had taken vehicle loans amounting to ₹ 8.00 lakhs and ₹ 7.50 lakhs which were being paid in 48 and 47 equal monthly installments of ₹ 0.20 lakhs and ₹ 0.19 lakhs each, respectively. The Company had paid full outstanding loan amount on March 14, 2017.

(₹ in Lakhs)

18B Current borrowings	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Secured			
Bank Overdraft (Refer note (i)	222.62	-	-
Bank Overdraft (Refer note (ii)	-	56.58	654.81
Bank Overdraft (Refer note (iii)	-	-	409.86
Cash Credit (Refer note (iv)	869.92	939.87	-
Total	**1,092.54**	**996.45**	**1,064.67**

Notes to financial statements for the year ended March 31, 2018

Note:

i) Bank Overdraft from Bank carry interest @ 10.10% p.a computed on monthly basis on the actual amount utilised and are repayable on demand. Bank Overdraft is secured by way of exclusive charge on immovable property of the Company at Thane and personal guarantee of Director.

ii) Bank Overdraft from Bank carry interest @ 9.5% p.a. to 11.5% p.a computed on monthly basis on the actual amount utilised and are repayable on demand. Bank Overdraft is secured by pledging the units of UTI Mutual fund.

iii) Bank Overdraft from Bank carry interest @ 11% p.a. to 13.5% p.a computed on monthly basis on the actual amount utilised and are repayable on demand. Bank Overdraft is secured by way of exclusive charge on immovable property of the Company at Thane and personal uarantee of the director. (Rent proceeds to be credited with the Escrow account with the bank.)

iv) Cash Credit from Bank carry interest @ 10.10% p.a. to 11% p.a computed on monthly basis on the actual amount utilised and are repayable on demand. Cash credit is secured by way of

a) hypothecation of book debts and other receivables
b) second charge on immovable property of the Company at Thane
c) personal guarantee of Executive Director.

(₹ in Lakhs)

19 Trade payables	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Trade payables [Refer note (a) below]			
- Due to Micro, Small and Medium Enterprise	-	-	-
- Due to others	633.83	474.19	347.30
Total	**633.83**	**474.19**	**347.30**

(a) DUES TO MICRO AND SMALL ENTERPRISES

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company. There are no overdue principal amounts / interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payments made during the year or brought forward from previous years.

(₹ in Lakhs)

20 Other financial liabilities	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Measured at amortised cost			
Non-current			
Security deposits received against leased premises	138.43	133.96	137.23
Non-current total (A)	**138.43**	**133.96**	**137.23**
Current			
Current maturities of long-term debt	-	-	4.12
Interest accrued but not due on borrowings	-	-	0.06
Security deposits received	3.53	96.32	2.17
Unclaimed Dividend*	22.35	20.53	23.47
Payble for Capital Expenditure	67.73	30.70	58.70
Excess share warrant money received	-	1.94	-
Current total (B)	**93.61**	**149.49**	**88.52**
Total (A+B)	**232.04**	**283.45**	**225.75**

* There are no amounts due for payment to the Investor Education and Protection Fund Under Section 125 of the Companies Act, 2013 as at the year end.

(₹ in Lakhs)

21 Other current liabilities	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Income Received in Advance	74.21	92.34	50.31
Statutory Dues	46.78	75.40	48.30
Total	**120.99**	**167.74**	**98.61**

Notes to financial statements for the year ended March 31, 2018

(₹ in Lakhs)

22 Provisions	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Current			
Provision for employee benefits			
Provision for Compensated Absences	78.99	71.75	69.11
Provision for Gratuity	116.21	98.56	84.54
Total	**195.20**	**170.31**	**153.65**

(₹ in Lakhs)

23 Current tax liabilities (Net)	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Provision for tax	979.11	1,014.11	532.89
net of advance tax of ₹ 920.00 lakhs (As at March 31, 2017 of ₹ 1,014.68 lakhs; as at April 01, 2016 of ₹ 1,924.24 lakhs)			
Total	**979.11**	**1,014.11**	**532.89**

₹ in Lakhs)

24 Revenue from operations	For the Year ended March 31, 2018	For the Year ended March 31, 2017
Sale of Services		
Information Technology Services	5,106.74	5,587.23
Total	**5,106.74**	**5,587.23**

₹ in Lakhs)

25 Other income	For the Year ended March 31, 2018	For the Year ended March 31, 2017
Rent Received	680.29	549.75
Less: Rates and Taxes (directly attributable)	(56.21)	(64.77)
	624.08	**484.98**
Interest income on:		
Loans given	4.89	13.05
Deposit with banks	14.15	28.75
Income tax refund	18.65	210.19
Profit on sale of investments	8.15	20.78
Gain on fair valuation of Investments in Mutual funds	95.77	62.25
Exchange Gain (Net)	37.58	97.10
Sundry credit balances written back (Net)	8.00	5.16
Miscellaneous income	2.80	0.06
Total	**814.07**	**922.31**

₹ in Lakhs)

26 Employee benefits expense	For the Year ended March 31, 2018	For the Year ended March 31, 2017
Salaries and wages	3,394.83	3,067.50
Contribution to provident and other funds	41.19	33.28
share based payment to employees	37.49	71.56
Staff welfare expenses	55.80	76.96
	3,529.31	**3,249.30**
Less: Transferred to intangible assets under development	(206.33)	(53.50)
Total	**3,322.98**	**3,195.80**

Notes to financial statements for the year ended March 31, 2018

(₹ in Lakhs)

27 Finance costs	For the Year ended March 31, 2018	For the Year ended March 31, 2017
Interest expense	112.85	116.73
Other Finance Cost on unwinding of discount	74.10	23.73
Total	**186.95**	**140.46**

(₹ in Lakhs)

28 Depreciation and amortization expense	For the Year ended March 31, 2018	For the Year ended March 31, 2017
Depreciation on Property, Plant and Equipment	301.18	259.91
Amortization on Intangible assets	158.17	158.69
Total	**459.35**	**418.60**

(₹ in Lakhs)

29 Other expenses	For the Year ended March 31, 2018	For the Year ended March 31, 2017
Rent	16.43	15.96
Repairs & Maintenance		
Buildings	33.51	33.15
Plant and equipment	107.76	62.20
Others	72.76	19.56
Insurance	4.58	5.22
Rates and taxes excluding taxes on income	48.48	16.38
Travelling and conveyance	132.22	165.32
Communication	23.17	37.57
Electricity expenses	81.02	73.80
Professional fees	204.42	141.59
Provision for Bad and Doubtful Debts and advances	177.77	-
Provision for expected credit losses	26.31	1.87
Directors' sitting fees/commission	19.00	26.00
Auditors' Remuneration:		
Audit fees	9.05	9.05
Tax audit fees	1.70	1.70
Certification and other services	2.25	3.93
Reimbursement of expenses-(excluding service tax)	0.89	1.25
Security expenses	40.91	36.08
Corporate social responsibility expenses (Refer Note no.36)	14.00	12.09
Loss on assets disposed / discarded (Net)	20.89	1.03
Miscellaneous expenses	128.54	184.12
Total	**1,165.66**	**847.88**

(₹ in Lakhs)

30 EARNINGS PER SHARE (EPS)	As at March 31, 2018	As at March 31, 2017
Profit after tax(PAT) available for Equity Shareholders	195.95	880.42
Weighted Average Number of Equity Shares outstanding for computing Basic EPS	27,346,302	27,015,932
Add: Weighted average number of potential equity shares on account of employee stock options	512,896	864,051
Weighted Average Number of Equity Shares outstanding for computing Diluted EPS	27,859,198	27,879,983
Nominal value of Equity Shares (In Rs)	10.00	10.00
Basic Earnings Per Share	**0.72**	**3.26**
Diluted Earnings Per Share	**0.70**	**3.16**

Notes to financial statements for the year ended March 31, 2018

(₹ in Lakhs)

31	CONTINGENT LIABILITIES AND COMMITMENTS	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
A)	**CONTINGENT LIABILITIES**			
	i) Disputed Income Tax Demands (Including interest and penalties)	136.44	136.44	136.44
	Total	**136.44**	**136.44**	**136.44**

i) In the previous years, the Company has received Income Tax refunds of ₹ 1,894.74 Lakhs (including interest amount of ₹ 740.81) towards Assessment years 1997-98, 1998-99 and 1999-00, pursuant to the favorable Order from Income Tax Appellate Tribunal. The Income Tax Department has filed an appeal against the said Order with the Hon'ble High Court, Bombay. However the Company has continued the provision of ₹ 1,219.61 (Previous Year ₹ 1,219.61) made in earlier years.

ii) The Company's pending litigations comprise mainly claims against the Company, proceedings pending with Tax and other Authorities. The Company has reviewed all its pending litigations and proceedings and has made adequate provisions, wherever required and disclosed the contingent liabilities, wherever applicable, in its financial statements. The Company does not reasonably expect the outcome of these proceedings to have a material impact on its financial statements.

(₹ in Lakhs)

B	COMMITMENTS	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
	Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances) Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances)	-	-	-

32 DISCLOSURE ON RELATED PARTY TRANSACTIONS

A) Names of related parties and description of relationship:

a) Subsidiary :
CyberTech Systems and Software Inc. (USA)- Wholly Owned Subsidiary

b) Key Management Personnel (KMP)
Mr.Ramasubramanian Sankaran - Executive Director
Mr.Praveen Agarwal- Chief Financial Officer(From May,10,2017)
Ms.Sarita Leelaramani- Company Secretary (From July 1, 2016)
Mr. Sateesh Wadagbalkar (Up to June 30, 2016)

B) Related party transactions with Subsidiary/KMP during the year:

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Sale of Services		
CyberTech Systems and Software Inc.-USA	3,801.92	3,904.11
Expenses/Reimbursement of Expenses		
CyberTech Systems and Software Inc.-USA	34.61	18.18
Remuneration paid to*		
Mr. Ramasubramanian Sankaran	76.39	70.83
Mr. Praveen Agarwal	22.25	-
Ms. Sarita Leelaramani	8.93	6.15
Mr. Sateesh Wadagbalkar	-	5.11

Notes to financial statements for the year ended March 31, 2018

C) Outstanding Balances

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Receivables			
CyberTech Systems and Software Inc.-USA	1,987.11	1,890.30	1,846.26
Payables*			
Mr.Ramasubramanian Sankaran	6.00	3.14	14.49
Mr. Praveen Agarwal	0.96	-	-
Ms.Sarita Leelaramani	0.27	-	-
Employee Share based payments -			
Mr.Ramasubramanian Sankaran*	20.42	-	-
Investment			
CyberTech Systems and Software Inc.-USA	1,534.03	1,534.03	1,534.03
Guarantee Given			
Mr.Ramasubramanian Sankaran	1,092.54	939.87	409.86

*The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends. The above figures do not include provisions for encashable leave, gratuity and premium paid for group health insurance as separate acturial valuation/ premium paid are not available

Notes:

(i) All related party transactions entered during the year were in ordinary course of the business and are on arm's length basis.

(ii) No amounts in respect of related parties have been written off / written back during the year, nor has any provision been made for doubtful debts / receivables during the year. (ii) No amounts in respect of related parties have been written off / written back during the year, nor has any provision been made for doubtful debts / receivables during the year.

(iii) Related party relationships have been identified by the management and relied upon by the Auditors.

33 Segment Reporting

The Company is engaged in the business of Software Development Services and its operation are regularly reviewed by Chief Operating Decision Maker for assessment of Company's performance and resource allocation. Accordingly, the Company has only one business segment in accordance with the IND AS – 108 "Operating Segments".

34 DISCLOSURE PURSUANT TO IND AS - 19 "EMPLOYEE BENEFITS"

Defined Benefit Plan - Gratuity

In accordance with the applicable laws, the Company provides for gratuity, a defined benefit retirement plan ("The Gratuity Plan") covering eligible employees. The Gratuity Plan provides for a lump sum payment to vested employees on retirement (subject to completion of five years of continuous employment), death, incapacitation or termination of employment that are based on last drawn salary and tenure of employment. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation on the reporting date and the Company makes annual contribution to the gratuity fund administered by Life Insurance Corporation of India under Group Gratuity Scheme.

The disclosure in respect of the defined Gratuity Plan are given below:

(₹ in Lakhs)

A Balance Sheet	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Present value of plan liabilities	(129.91)	(102.53)	(90.71)
Fair value of plan assets	13.70	3.97	6.17
Asset/(Liability) recognised	(116.21)	(98.56)	(84.54)

Notes to financial statements for the year ended March 31, 2018

B Movements in plan assets and plan liabilities	Present value of obligations	Fair Value of Plan assets
As at 1st April 2017	102.53	3.96
Current service cost	12.95	-
Past service cost	10.07	-
Interest Cost/(Income)	7.38	-
Return on plan assets excluding amounts included in net finance income/cost	-	0.29
Actuarial (gain)/loss arising from changes in demographic assumptions	-	-
Actuarial (gain)/loss arising from changes in financial assumptions	(10.95)	-
Actuarial (gain)/loss arising from experience adjustments	14.79	1.32
Employer contributions	-	15.00
Benefit payments	(6.86)	(6.86)
As at 31st March 2018	**129.91**	**13.71**

	Present value of obligations	Fair Value of Plan assets
As at 1st April 2016	90.71	6.17
Current service cost	11.52	0.48
Past service cost	-	-
Interest Cost/(Income)	7.13	-
Return on plan assets excluding amounts included in net finance income/cost	-	-
Actuarial (gain)/loss arising from changes in demographic assumptions	(10.51)	-
Actuarial (gain)/loss arising from changes in financial assumptions	8.45	-
Actuarial (gain)/loss arising from experience adjustments	17.46	(0.46)
Employer contributions	-	20.00
Benefit payments	(22.23)	(22.23)
As at 31st March 2017	**102.53**	**3.96**

C. Statement of Profit and Loss

(₹ in Lakhs)

	As at March 31, 2018	As at March 31, 2017
Employee Benefit Expenses:		
Current service cost	12.95	11.52
Interest cost/(income)	7.10	6.65
Total amount recognised in Statement of profit & loss	**20.05**	**18.16**
Remeasurement of the net defined benefit liability:		
Actuarial gains/(losses) arising from changes in demographic assumptions	-	(10.51)
Actuarial gains/(losses) arising from changes in financial assumptions	(10.95)	8.45
Experience gains/(losses)	13.48	17.92
Total amount recognised in Other Comprehensive Income	**2.53**	**15.86**

D. Assumptions

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date. The significant actuarial assumptions were as follows

The significant actuarial assumptions were as follows:

	As at March 31, 2018	As at March 31, 2017
Financial Assumptions		
Discount rate	7.85%	7.20%
Salary Escalation Rate	2.00%	2.00%

Notes to financial statements for the year ended March 31, 2018

E. Sensitivity

The sensitivity of the overall plan liabilities to changes in the weighted key assumptions are:

		Impact on defined benefit obligation	
	Change in assumption	**Increase in assumption**	**Decrease in assumption**
Discount rate	1.00%	(14.53)	17.41
Salary Escalation Rate	1.00%	18.11	(15.46)

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

F. The defined benefit obligations shall mature after year end 31st March, 2018 as follows:

Year ending March 31,	**Defined benefit obligation - ₹ in Lakhs**
2019	3.42
2020	3.70
2021	3.90
2022	4.08
2023	10.00
Thereafter	406.31

ii) Compensated Absences: The Company permits encashment of compensated absence accumulated by their employees on retirement, separation and during the course of service. The liability in respect of the Company, for outstanding balance of leave at the balance sheet date is determined and provided on the basis of actuarial valuation as on 31st March 2018 performed by an independent actuary. The Company doesn't maintain any plan assets to fund its obligation towards compensated absences.

The disclosure in respect of the defined Compensated Absences are given below:

(₹ in Lakhs)

Particulars	**As at March 31, 2018**	**As at March 31, 2017**	**As at April 01, 2016**
Expenses recognised in Statement of Profit and Loss	49.44	55.21	
Balance Sheet liability	78.99	71.75	69.11

35. Leases

COMPANY AS A LESSOR

(A) The Company has leased its vacant premises under non-cancellable lease agreements.

(B) Future minimum lease payment receivables in respect of these leases:

(₹ in Lakhs)

Particulars	**As at March 31, 2018**	**As at March 31, 2017**
Upto one year	155.42	384.07
Two to five years	74.39	461.90
More than five years	-	-

The Company has leased its vacant premises under non-cancellable lease agreements. During the year Rs 624.08 Lakhs (Previous Year ₹ 484.98 Lakhs) has been recognized as rent income in the Statement of Profit and Loss under head "Other Income"

(₹ in Lakhs)

Particulars	**For the year ended March 31, 2018**	**For the year ended March 31, 2017**
Rental Income	680.29	549.75
Direct Operating Expenses	56.21	64.77
Net Income	**624.08**	**484.98**

Notes to financial statements for the year ended March 31, 2018

COMPANY AS A LESSEE

Future minimum lease payment in respect of these leases:

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Upto one year	6.08	8.46
Two to five years	9.59	8.06
More than five years	-	-

36 CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE

Gross amount required to be spent by the Company as per Section 135 of Companies Act, 2013 during the year is Rs 13.88 Lakhs (Previous year Rs 12.22 Lakhs) and amount actually spent during the year is Rs 14.00 Lakhs (Previous year Rs 12.08 Lakhs), the details of which is as given below:

(₹ in Lakhs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Gross amount required to be spent by the Company as per Section 135 of Companies Act, 2013	13.88	12.22
Construction/acquisition of any asset	-	-
On purposes other than above	14.00	12.08

37 Financial Risk Management

Financial risk management objectives and policies:

The Company's business activities exposed it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company's Management has the overall responsibility for establishing and governing the Company's risk management framework.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits , foreign currency receivables, payables and loans and borrowings.

Risk	Exposure arising from	Measurement	Management
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities; working capital management
Credit risk	Cash and cash equivalents, trade receivables, Investments, loans and other financial assets measured at fair /amortised cost.	Ageing analysis/ Credit ratings	Diversification in various class of assets, credit limits and letters of credit
Market Risk - Foreign exchange	Financial assets and liabilities	Cash flow forecasting Sensitivity analysis	Hedging, Forex planning
Market Risk - Interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Interest rate swaps

(A) Market Risk- Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. The Company is having short term borrowings from banks.

Notes to financial statements for the year ended March 31, 2018

(i) Exposure to interest rate risk - Financial liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Borrowings bearing variable rate of interest - Cash credits - short term in nature	1,092.54	996.45	1,064.67

Hence, the Company is not significantly exposed to the interest rate risk as working capital facility are, as per contractual terms, primarily of short term in nature.

(B) Market Risk- Foreign currency risk.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company has foreign currency trade receivables and is therefore exposed to foreign exchange risk. The exchange rates have been volatile in the recent years and may continue to be volatile in the future. Hence the operating results and financials of the Company may be impacted due to volatility of the rupee against foreign currencies.

Derivative Contracts and unheeded foreign currency exposure

(Derivative contracts outstanding as at March 31, 2018)

(₹ in Lakhs)

	As at March 31, 2018		As at March 31, 2017	
	In Foreign Currency	Amount	In Foreign Currency	Amount
Forward Contract to sell USD	2,072,677	1,365.39	300,000	205.40

Unhedged foreign currency exposure as at March 31, 2018

(₹ in Lakhs)

	As at March 31, 2018		As at March 31, 2017	
	In Foreign Currency	Amount	In Foreign Currency	Amount
Trade receivables	987,627	629.01	2,600,026	1,685.99

A change of 1% in Foreign currency would have following Impact on profit before tax

(₹ in Lakhs)

	For the year ended March 31, 2018		For the year ended March 31, 2017	
	1% Increase	1% decrease	1% Increase	1% decrease
Increase / (decrease) in profit or loss	6.29	(6.29)	16.86	(16.86)

(C) Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. The Company is exposed to credit risk from its operating activities (trade receivables) and from its financing activities including investments in mutual funds, deposits with banks and financial institutions and debentures and bonds, foreign exchange transactions and financial instruments.

To manage the credit risk from trade receivables, the Company periodically assess financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly. The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period.

Credit risk from investments is managed by the Company's treasury in accordance with the board approved policy and limits.

To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

i) Actual or expected significant adverse changes in business,

ii) Actual or expected significant changes in the operating results of the counterparty,

iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,

iv) Significant increase in credit risk on other financial instruments of the same counterparty,

v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees

Notes to financial statements for the year ended March 31, 2018

Ageing of Account receivables (Gross)

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
0-3 months	1,395.57	1,338.81	1,096.66
3-6 months	1,142.92	1,049.13	835.52
6 months to 12 months	350.78	250.42	18.18
beyond 12 months	526.67	121.45	83.32
Total	**3,415.94**	**2,759.81**	**2,033.68**

Movement in provisions of doubtful debts

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Opening provision	28.08	26.22	-
Add:- Additional provision made	197.42	1.86	26.22
Less:- Provision write off/ reversed	-	-	-
Less:- Provision utilised against bad debts	(3.67)	-	-
Closing provisions	**221.83**	**28.08**	**26.22**

(D) Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time, or at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related such risk are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows. The Company's objective is to maintain at all times, optimum levels of liquidity to meet its obligations.

Financing arrangements

The company had access to following undrawn Borrowing facilities at end of reporting period:

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Variable Borrowing -Expires within 1 year	907.46	902.55	1,064.67

Maturity patterns of borrowings

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
0-1 years	1,092.54	996.45	1,064.67
more than 1 year	-	-	4.08
Total	**1,092.54**	**996.45**	**1,068.75**

Maturity patterns of Trade Payables and other Financial Liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
0-1 years	727.44	623.68	435.82
more than 1 year	138.43	133.96	137.23
Total	**865.88**	**757.64**	**573.04**

38 Financial instruments

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction

Notes to financial statements for the year ended March 31, 2018

between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions are used to estimate the fair values:

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.

2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The carrying amounts and fair values of financial instruments by catergory are as follows:

a. Financial assets

(₹ in lakhs)

	Instruments carried at fair value				Instruments carried at amortized cost		
	FVOCI (Equity instruments)	FVOCI (Other instruments)	FVTPL	Total fair value (A)	Carrying amount (B)	Fair Value	Total carrying amount (A+B)
As at 1st April, 2016							
Investments	-	-	1,169.21	1,169.21	1,534.03	-	2,703.25
Trade receivables	-	-	-	-	2,007.46	2,007.46	2,007.46
Cash and bank balances	-	-	-	-	430.97	430.97	430.97
Loans	-	-	-	-	2.68	2.68	2.68
Other financial assets	-	-	-	-	424.65	424.65	424.65
Total	**-**	**-**	**1,169.21**	**1,169.21**	**4,399.79**	**2,865.76**	**5,569.01**
As at 31st March, 2017							
Investments	-	-	1,421.35	1,421.35	1,534.03	-	2,955.39
Trade receivables		-	-	-	2,731.73	2,731.73	2,731.73
Cash and cash equivalents	-	-	-	-	384.99	384.99	384.99
Loans	-	-	-	-	71.68	71.68	71.68
Other financial assets	-	-	-	-	885.08	885.08	885.08
Total	**-**	**-**	**1,421.35**	**1,421.35**	**5,607.51**	**4,073.48**	**7,028.87**
As at 31st March, 2018							
Investments	-	-	1,417.12	1,417.12	1,534.03	-	2,951.15
Trade receivables	-	-		-	3,194.11	3,194.11	3,194.11
Cash and cash equivalents	-	-	-	-	537.08	537.08	537.08
Loans	-	-	-	-	0.56	0.56	0.56
Other financial assets	-	-	-	-	512.58	512.58	512.58
Total	**-**	**-**	**1,417.12**	**1,417.12**	**5,778.36**	**4,244.33**	**7,195.48**

b. Financial liabilities	Instruments carried at amortized				
	Instruments carried at fair value		cost		(₹ in Lakhs)
	FVTPL	Total carrying amount and fair value (A)	Carrying amount (B)	Fair value	Total carrying amount (A+B)
As at 1st April, 2016					
Borrowings	-	-	1,068.75	1,068.75	1,068.75
Trade payables	-	-	347.30	347.30	347.30
Other financial liabilities	225.75	225.75	-	-	225.75
Total	**225.75**	**225.75**	**1,416.04**	**1,416.04**	**1,641.79**
As at 31st March, 2017					
Borrowings	-	-	996.45	996.45	996.45
Trade payables	-	-	474.19	474.19	474.19

Notes to financial statements for the year ended March 31, 2018

Other financial liabilities	283.45	283.45	-	-	283.45
Total	**283.45**	**283.45**	**1,470.64**	**1,470.64**	**1,754.09**
As at 31st March, 2018					
Borrowings	-	-	1,092.54	1,092.54	1,092.54
Trade payables	-	-	633.83	633.83	633.83
Other financial liabilities	232.04	232.04	-	-	232.04
Total	**232.04**	**232.04**	**1726.37**	**1726.37**	**1,958.41**

The Management assessed that fair value of cash and cash equivalents, trade receivables, investments in term deposits, loans, other financial assets (except derivative financial instruments), trade payables, and other financial liabilities (except derivative financial instruments) is considered to be equal to the carrying amount of these items due to their short-term nature.

c. Fair value estimation

For financial instruments measured at fair value in the Balance Sheet, a three level fair value hierarchy is used that reflects the significance of inputs used in the measurements. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as follows:
- Level 1: quoted prices for identical instruments
- Level 2: directly or indirectly observable market inputs, other than Level 1 inputs; and
- Level 3: inputs which are not based on observable market data.

For assets and liabilities which are carried at fair value, the classification of fair value calculations by category is summarised below:

(₹ in Lakhs)

	Level 1	Level 2	Level 3	Total
As at April 01, 2016				
Assets at fair value				
Investments in Mutual Funds	-	1,169.21	-	1,169.21
As at March 31, 2017				
Assets at fair value				
Investments in Mutual Funds	-	1,421.36	-	1,421.36
As at March 31, 2018				
Assets at fair value				
Investments in Mutual Funds	-	1,417.12	-	1,417.12

Note - Mutual funds are valued unsing the Closing Net Asset Value (NAV)

39 Income Taxes

a) Tax expense recognised in the Statement of Profit and Loss:

₹ in Lakhs

	For the year ended March 31, 2018	For the year ended March 31, 2017
Current tax		
Current year	160.00	325.00
Adjustments for prior periods	(8.44)	11.92
Total current tax	**151.56**	**336.92**
Deferred tax		
Origination and reversal of temporary difference	(73.51)	(23.41)
Total deferred income tax expense/(credit)	**(73.51)**	**(23.41)**
Total income tax expense/(credit)	**78.05**	**313.51**

b) A reconciliation between the statutory income tax rate applicable to the Company and the effective income tax rate of the Company is as follows:

	For the year ended March 31, 2018	For the year ended March 31, 2017
Reconciliation of effective tax rate		
Profit before taxation	274.00	1,193.93
Enacted income tax rate in India	27.55%	34.61%
Tax at India Income Tax Rate	**75.49**	**413.20**

Notes to financial statements for the year ended March 31, 2018

Differences due to:		
Expenses not deductible for tax purposes	12.26	26.01
Donation disallowed	1.93	2.18
Tax expenses pertaining to earlier years	(8.44)	11.92
Long term Capital Gain set off against the Losses	-	(68.86)
MAT Credit utilised	-	(52.05)
Others	(3.19)	(18.89)
Effective tax amount	**78.05**	**313.51**

c) The movement in deferred tax assets and liabilities during the year ended March 31, 2016 and March 31, 2017:

	As at April 01, 2016	Credit/(charge) in statement of Profit and Loss	As at March 31, 2017
Deferred tax assets/(liabilities)			
Expenses allowable on payment basis	(56.77)	0.54	(56.24)
On Property, plant & equipment	327.14	(4.10)	323.05
Long term Capital loss	(37.02)	21.63	(15.40)
Fair value gains/losses	81.57	(46.97)	34.60
Total	**314.91**	**(28.90)**	**286.01**

Movement during the year ended March 31, 2018 and March 31,2017

₹ in lakhs

	As at March 31, 2017	Credit/(charge) in statement of Profit and Loss	As at March 31, 2018
Deferred tax assets/(liabilities)			
Expenses allowable on payment basis	(56.24)	(78.40)	(134.64)
On Property, plant & equipment	323.05	(32.81)	290.23
Long term Capital loss	(15.40)	0.54	(14.85)
Fair value gains/losses	34.60	36.47	71.07
	286.01	**(74.21)**	**211.81**

40 Capital risk management

(a) Risk management

The Company's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other
- maintain an optimal capital structure to reduce the cost of capital

The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares.

The Company monitors capital using a gearing ratio being a ratio of net debt as a percentage of total capital. ₹ in lakhs

(₹ in Lakhs)

	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Total equity attributable to equity shareholders of the Company	2,741.46	2,707.83	2,687.13
Net debt (Total borrowings less cash and cash equivalents)	1,092.54	996.45	1,072.86
Total capital (Borrowings and Equity)	**3 ,834.00**	**3,704.29**	**3,759.99**
Gearing ratio	**0.28**	**0.27**	**0.29**

(b) Dividends

(₹ in Lakhs)

Dividend paid during the year	**2017-18**	**2016-17**
(i) Equity Shares Final dividend for the year ended March 31, 2017 of ₹ 1 Per fully paid up share (March 31, 2016 - ₹ 1) [Including dividend distribution tax of ₹54.70 Lakhs]	323.42	323.42
(ii) Dividends not recognised at the end of reporting period Since year end, the directors have recommended the payment of a final dividend of ₹ 1 per fully paid up equity share (March 31, 2017 - ₹ 1) The Proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting. [Including dividend distribution tax of ₹54.70 Lakhs]	323.42	323.42

Notes to financial statements for the year ended March 31, 2018

41 Share Warrants

During the previous financial year, the Company has issued 10,00,000 Warrants at a price of ₹ 67 each entitling them for subscription of equivalent number of equity shares of ` 10 each (including premium of ₹ 57 each share) in accordance with Chapter VII of SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2009.

Money received against these share warrants represent 25% of the warrants value which entitles the warrant holder, the option to apply for and be allotted equivalent number of equity shares of the face value of ₹ 10 each. The holder of the warrants would need to exercise the option to subscribe to equity shares before the expiry of 18 months from the date of allotment made on October 27, 2016 by paying the balance 75% of the consideration of warrants. In case of non payment of the balance amount before the expiry period, the application money will be forfeited.

42 Employee Share Based payments

(a) Employee option plan

The Company's Employees' Stock Option Scheme - 2007, provides for issue of equity option in each financial year up to 5% (Previous Year 5%) of the outstanding fully paid-up equity capital of the Company as on March 31, 2007 on to eligible employees, and the carry forward of un-allotted options in eachof the financial years to the subsequent financial years for grant, in aggregate not exceeding 9,264,970 shares (Previous Year 9,264,970 shares). The Shareholders at their meeting held on September 30, 2014 passed a new ESOP plan 2014. Under new ESOP plan, the shareholders has permitted to grant 1,323,567 equity shares to the employees of the Company and to the employees of wholly owned subsidiary viz. CyberTech Systems and Software Inc., USA. The scheme covers directors and the employees of the subsidiaries, apart from the employees and directors of the Company except directors/ employees belonging to promoter group. The options vest in a phased manner over four years with 25% of the grants vesting at the end of each year from the date of grant and the same can be exercised within seven years from the date of the grant at the market price as on the date of the grant. One option is equal to one equity share.

Movement during the period:

The number and weighted average exercise prices (WAEP) of the options granted and movement during the period is as follows:

	March 31, 2018		March 31, 2017	
	Numer of options	WAEP	Numer of options	WAEP
Opening balance	1,783,000	38.22	1,740,000	28.32
Add: Granted during the year *	50,000	56.55	250,000	89.35
Less: Exercised during the year	336,250	16.21	207,000	16.72
Less: Forfeited during the year**	300,000	77.40	-	-
Expired during the year	-	-	-	-
Closing balance* **	**1,196,750**	**35.35**	**1 ,783,000**	**38.22**

* Includes NIL options granted to Executive director during the year ended March 31, 2018 (For the year ended March 31, 2017 - 2,00,000)

** Out of 300,000 Options, 250,000 Options granted to the employees of the Company on January 31, 2017 was surrendered during the year. Other 50,000 Options were lapsed on expiry of its tenure.

*** Includes 4,50,000 options granted to Executive director outstanding as at March 31, 2018 (as At March 31, 2017 - 6,50,000)

Weighted average equity share price at the date of exercise of options during the year was ₹ 35.35 (2016-17: ₹ 38.22)

The following table summarises information about oUtstanding stock options:

As at March 31, 2018

Range of Exercise price	Number of shares arising out of Options	Weighted average remaining life (in years)	Weighted average exercise price (in ₹)
₹ 10- ₹ 15	128,000	2	11.34
₹ 16 - ₹ 45	1,018,750	5	37.22
₹ 46 - ₹ 90	50,000	7	56.55

Notes to financial statements for the year ended March 31, 2018

As at March 31, 2017

Range of Exercise price	Number of shares arising out of Options	Weighted average remaining life (in years)	Weighted average exercise price (in ₹)
₹ 10- ₹ 15	268,000	5	11.34
₹ 16 - ₹ 45	1,265,000	5	33.81
₹ 46 - ₹ 90	250,000	7	89.35

(b) Fair value of options granted

The fair value at grant date of options granted during the year ended March 31, 2018 was INR 29.65 per option (March 31, 2017: INR 46.67 per option). The fair value at grant date is determined using the BLakhsk Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option. The value of the option has been determined by an independent valuer.

The model inputs for options granted during the period ended March 31, 2018 and March 31, 2017 included:

	For the year ended March 31, 2018	For the year ended March 31, 2018
Dividend Yield	0.03%	0.04%
Expected Volatility	60%	58%
Risk free interest rate	6.86%	6.70%
Expected life of share options	7 years	7 years

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

(c) Expense arising from share based payment transactions

Total expenses arising from share based payment transactions recognised in profit or loss as part of employee benefit expense were as follows:

	March 31, 2018	March 31, 2017
Employee stock option	37.49	71.56
Total employee share-based payment expense	**37.49**	**71.56**

43 First-time adoption of Ind AS

The Company has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from 1st April, 2017, with a transition date of 1st April, 2016. The adoption of Ind AS has been carried out in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards. Ind AS 101 requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS financial statements for the year ended 31st March, 2018, be applied retrospectively and consistently for all financial years presented. However, in preparing these Ind AS financial statements, the Company has availed of certain exemptions and exceptions in accordance with Ind AS 101, as explained below. The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under Ind AS and Previous GAAP have been recognised directly in equity (retained earnings or another appropriate category of equity).

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

A. <u>Optional Exemptions</u>

(a) Deemed Cost

Ind AS 101 permits to measure all its property, plant & equipment and Intangible assets at their previous GAAP carrying value i.e. being deemed cost represented by Gross Block reduced by accumulated depreciation on April 01, 2016.

(b) Investment in subsidiaries

The Company has opted para D14 and D15 and accordingly considered the Previous GAAP carrying amount of Investments as deemed cost as at the transition date.

(c) Designation of previously recognised financial instruments

Paragraph D19B of Ind AS 101 gives an option to an entity to designate investments in equity instruments at FVOCI on the basis of the facts and

Notes to financial statements for the year ended March 31, 2018

circumstances at the date of transition to Ind AS.The company has opted to apply this exemption for its investment in equity Investments.

B. Mandatory Exceptions

(a) Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies).

(b) "Ind AS estimates as at 1 April 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- Investment in equity instruments carried at FVTPL or FVOCI; and
- Impairment of financial assets based on expected credit loss model."

(c) Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

C. Transition to Ind AS - Reconciliations

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from previous GAAP to Ind AS in accordance with Ind AS 101:

I. Reconciliation of Balance sheet as at April 1, 2016 and March 31, 2017
II. Reconciliation of Statement of total Comprehensive Income for the period ended March 31, 2017
III. Reconciliation of Equity as at April 1, 2016 and March 31, 2017
IV. Impact on cash flow statement for the period ended March 31, 2017

The presentation requirements under Previous GAAP differs from Ind AS and hence Previous GAAP information has been regrouped for ease of reconciliation with Ind AS. The Regrouped Previous GAAP information is derived from the Financial Statements of the Company prepared in accordance with Previous GAAP.

Notes to financial statements for the year ended March 31, 2018

I. Reconciliation of Balance sheet as at April 1, 2016 and March 31, 2017

(₹ in Lakhs)

		Note	As At Apr 1, 2016 Previous GAAP	Ind AS adjustments	As At Apr 1, 2016 IND AS
I	**ASSETS**				
1	**(1) NON - CURRENT ASSETS**				
	Property, plant and equipment		3,362.84	-	3,362.84
	Capital work - in - progress		754.81	-	754.81
	Intangible assets		529.19	-	529.19
	Financial Assets				
	Investments		1,534.03	-	1,534.03
	Other financial assets		25.23	-	25.23
	Other non - current assets		10.78	-	10.78
	Total Non-Current Assets		**6,216.88**	**-**	**6,216.88**
2	**Current assets**				
	Financial Assets				
	Investments	3	890.17	279.04	1,169.21
	Trade receivables		2,019.55	(12.09)	2,007.46
	Cash and cash equivalents		14.93	-	14.93
	Bank balances other than above		416.04	-	416.04
	Loans		2.68	-	2.68
	Other Financial Asset		399.42	-	399.42
	Other current assets		404.04	-	404.04
	Total Current Assets		**4,146.84**	**266.95**	**4,413.78**
	Total Assets		**10,363.71**	**266.95**	**10,630.66**
II	**EQUITY AND LIABILITIES**				
1	**Equity**				
	Equity share capital		2,687.13	-	2,687.13
	Other equity		4,663.64	538.03	5,201.67
	Total Equity		**7,350.77**	**538.03**	**7,888.81**
	Liabilities				
2	**Non-current liabilities**				
	Financial Liabilities				
	Borrowings		4.08	-	4.08
	Other financial liabilities		182.21	(44.98)	137.23
	Deferred tax liabilities (net)		259.70	55.21	314.91
	Total Non Current Liabilities		**445.99**	**10.23**	**456.22**
3	**Current liabilities**				
	Financial Liabilities				-
	Borrowings		1,064.67	-	1,064.67
	Trade payables		347.30	-	347.30
	Other current financial liabilities		88.52	-	88.52
	Other current liabilities		56.51	42.10	98.61
	Provisions		153.65	-	153.65
	Current tax liabilities (net)		856.31	(323.42)	532.89
	Total Current Liabilities		**2,566.95**	**(281.31)**	**2,285.64**
	Total equity and liabilities		**10,363.71**	**266.95**	**10,630.66**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation require ments for the purpose of this note.

Notes to financial statements for the year ended March 31, 2018

(₹ in Lakhs)

		As At Mar 31, 2017 Previous GAAP	adjustments	As At Mar 31, 2017 IND AS
I	**ASSETS**			
1	**(1) NON - CURRENT ASSETS**			
	Property, plant and equipment	3,721.90	-	3,721.90
	Capital work - in - progress	736.15	-	736.15
	Intangible assets	374.43	-	374.43
	Intangible assets under development	53.50	-	53.50
	Financial Assets			
	Investments	2,359.03	17.79	2,376.82
	Other financial assets	18.00	-	18.00
	Other non - current assets	29.29	-	29.29
	Total Non-Current Assets	**7,292.32**	**17.79**	**7,310.09**
2	**Current assets**			
	Financial Assets			
	Investments	433.26	145.31	578.57
	Trade receivables	2,736.85	(5.12)	2,731.73
	Cash and cash equivalents	19.48	-	19.48
	Bank balances other than above	365.51	-	365.51
	Loans	71.68	-	71.68
	Other Financial Asset	867.08	-	867.08
	Other current assets	155.11	-	155.11
	Total Current Assets	**4,648.97**	**140.19**	**4,789.16**
	Total Assets	**11,941.28**	**157.98**	**12,099.25**
II	**EQUITY AND LIABILITIES**			
1	**Equity**			
	Equity share capital	2,707.83	-	2,707.83
	Other equity	5,864.95	134.21	5,999.16
	Total Equity	**8,572.78**	**134.21**	**8,706.99**
	Liabilities			
2	**Non-current liabilities**			
	Financial Liabilities			
	Borrowings	-	-	-
	Other financial liabilities	213.92	(79.97)	133.96
	Deferred tax liabilities (net)	257.61	28.40	286.01
	Total Non Current Liabilities	**471.53**	**(51.56)**	**419.97**
3	**Current liabilities**			
	Financial Liabilities			-
	Borrowings	996.45	-	996.45
	Trade payables	474.19	-	474.19
	Other current financial liabilities	149.49	-	149.49
	Other current liabilities	92.41	75.32	167.74
	Provisions	170.31	-	170.31
	Current Tax Liabilities (net)	1,014.11	-	1,014.11
	Total Current Liabilities	**2,896.97**	**75.32**	**2,972.29**
	Total equity and liabilities	**11,941.28**	**157.98**	**12,099.25**

Notes to financial statements for the year ended March 31, 2018

II Reconciliation of Statement of Profit and Loss for the year ended March 31, 2017

(₹ in Lakhs)

	For the year ended March 31, 2017 IGAAP	Ind AS adjustments	For the year ended March 31, 2017 IND AS
INCOME			
Revenue from Operations	5,587.23	-	5,587.23
Other Income	1,003.93	(81.61)	922.31
Total Income (I + II)	**6,591.15**	**(81.61)**	**6,509.54**
Expenses			
Cost of hardware/software package for service delivery and outsource	712.87	-	712.87
Employee benefits expense	3,140.11	55.70	3,195.80
Finance costs	116.73	23.73	140.46
Depreciation and amortization expense	418.60	-	418.60
Other expenses	846.01	1.87	847.88
Total expenses (IV)	**5,234.32**	**81.29**	**5,315.61**
Profit before tax	**1,356.83**	**(162.90)**	**1,193.93**
Tax expense			**-**
Current tax	325.00	-	325.00
Deferred tax (credit)	(2.10)	(21.31)	(23.41)
Taxation Adjustments for earlier years	11.92	-	11.92
Profit for the year (V - VI)	**1,022.02**	**(141.59)**	**880.42**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurements of net defined benefit plans	-	15.86	15.86
Income tax relating to items that will not be reclassified to profit or loss	**-**	**(5.49)**	**(5.49)**
Other Comprehensive Income for the year (VIII)	**-**	**10.37**	**10.37**
Total Comprehensive Income for the year (VII - VIII)	**1,022.02**	**(151.96)**	**870.05**

III Reconciliation of Equity

	As at March 31, 2017	As at April 01, 2016
Total equity under local GAAP	**8,572.78**	**7,350.77**
Adjustments impact: Gain/ (Loss)		
Reversal of proposed ordinary dividends payable including dividend distribution tax	-	323.42
Fair Valuation of Investments and Financial assets through Profit & Loss	167.73	281.92
Fair Valuation of Financial Liabilities including derivative instruments	(0.20)	(9.03)
Expected credit loss	(4.92)	(3.06)
Deferred Tax impact on above adjustments	(28.40)	(55.21)
Total IND AS adjustment	**134.21**	**538.04**
Total equity under Ind AS	**8,706.99**	**7,888.81**

IV Impact on cash flow statement for the period ended March 31, 2017

There were no material differences between the Statement of Cash Flows presented under Ind AS and the Previous GAAP.

Notes to first time adoption

Note 1: Proposed Dividend

Under the previous GAAP, dividend proposed by the board of directors after the balance sheet date but before the approval of the financial statements were considered as subsequent events. Accordingly, provision for proposed dividend including dividend distribution tax was recognised as liability. Under Ind AS, such dividends are recognised when the same is approved by the shareholders in the general meeting.

Notes to financial statements for the year ended March 31, 2018

Note 2: Remeasurement of post employment benefit obligations

Under the previous GAAP, cost relating to post employment benefit obligations including actuarial gain/losses were recognised in Profit & Loss. Under Ind AS, actuarial gain/losses on the net defined benefit liability are recognised in other comprehensive income instead of profit & loss.

Note 3: Fair Valuation of Investments

Under previous GAAP, investment in equity instruments were classified into long term and current investments. Long term investments were carried at cost less provision other than temporary in nature. Current investments were carried at lower of cost or fair value. Under Ind AS, these investments are require to be measured at fair value either through OCI (FVTOCI) of Through Profit & loss (FVTPL). The company has opted to fair value these investments through Profit & loss.

Note 4: Share based payments

Ind AS requires the fair value of the share options to be determined using an appropriate pricing model recognised over the vesting period. An additional expense has been recognised in Consolidated Statement of Profit and Loss for the year ended 31st March, 2017. Share options which were granted before and still vesting at 1st April, 2016, have been recognised as a separate component of equity in Equity settled share based payment reserve against retained earnings at 1st April, 2016.

Note 5: Financial liabilities at amortised cost

Under previous GAAP, certain financial liabilities - Deposits received for leased premises were shown at their transaction amount. Under Ind As those are measured at fair value at amortised cost by applying effective interest rate method.

Note 6: Fair Valuation of Foreign exchange forward contracts

Under Ind AS, foreign exchange forward contracts are mark-to-market as at Balance Sheet date and unrealised net gain or loss is recognised in profit and loss statement. Derivative assets and derivative liabilities are presented on gross basis.

Note 7: Trade Receivables

Under Indian GAAP, Company has recognised specific amount towards impairment of Trade receivables on the basis of incurred losses. Under Ind AS, impairment allowance has been recognised based on Expected Credit Loss basis (ECL).

Note 8: Deferred taxes

Under previous GAAP, deferred taxes were recognised based on Profit & loss approach i.e. tax impact on difference between the accounting income and taxable income. Under Ind AS, deferred tax is recognised by following balance sheet approach i.e. tax impact on temporary difference between the carrying value of asset and liabilities in the books and their respective tax base.

44 The Company is yet to receive balance confirmations in respect of certain financial assets and financial liabilities. The Management does not expect any material difference affecting the current year's financial statements due to the same.

45 The Company has invested ₹1,534.03 lakhs (Previous Year ₹1,534.03) in its Wholly Owned Subsidiary viz. CyberTech Systems and Software Inc., USA, which has accumulated losses of ₹ 1,374.45 (Previous Year 1,457.53) as at the year end. However, being a long term and strategic investment, there is a reasonable certainty that there will be no diminution in the value of this investment, and therefore, no provisioning has been considered necessary.

46 Recent accounting pronouncements

IND AS 115 - Revenue from Contracts with Customers

MCA has notified the Companies (Indian Accounting Standards) Amended Rules, 2018 ("amended rules"). As per the amended rules, Ind AS 115 "Revenue from contracts with customers" supersedes Ind AS 11, "Construction contracts" and Ind AS 18, "Revenue" and is applicable for all accounting periods commencing on or after 1 April 2018. Ind AS 115 introduces a new framework of five step model for the analysis of revenue transactions. The model specifies that revenue should be recognised when (or as) an entity transfer control of goods or services to a customer at the amount to which the entity expects to be entitled. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The new revenue standard is applicable to the Company from 1 April 2018.

Ind AS 21 - Foreign currency transactions and advance consideration:

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 effective from April 1, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.

47 The financial statements were approved for issue by the Board of Directors on May 09, 2018.

48 The previous year's figures have been re-grouped / re-classified wherever required to confirm to current period's classification.

CYBERTECH SYSTEMS AND SOFTWARE LIMITED
CONSOLIDATED
FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR 2017-18

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF CYBERTECH SYSTEMS & SOFTWARE LIMITED

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying Consolidated financial statements of CYBERTECH SYSTEMS & SOFTWARE LIMITED("the Holding Company" and a subsidiary collectively referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash flows, the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "Consolidated Ind AS Financial Statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Consolidated Ind AS financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act and relevant rules thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Ind AS 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 Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Consolidated Ind AS 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 Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Consolidated Ind AS 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 the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Consolidated Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Ind AS 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 including the Consolidated Ind AS, of the state of affairs of the Company as at 31st March, 2018 and its profit including other comprehensive income, its cash flows and its changes in equity for the year ended on that date.

Other Matters

1. Opening balances have been considered based on the audited financial statements prepared under previous Generally Accepted Accounting Practices (Previous GAAP) issued by the other auditors whose unqualified audit report dated 10th May, 2017 have been furnished to us. The difference arises from transition from previous GAAP to Ind AS have been derived from such audited financial statements.

2. We did not audit the financial statements of a subsidiary whose financial statements reflect total assets of ₹ 2,835.62 Lakh as at 31st March, 2018 and total revenue for the year ended 31st March, 2018 of ₹ 7,457.94 Lakh and net cash flows amounting to (₹ 153.18 Lakh) for the year ended on that date, as considered in consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, and our report in terms of sub-sections (3) (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiary, is based solely on the report of the other auditor.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

   (i) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   (ii) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of thosebooks.

   (iii) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevantbooks of account maintained for the purpose of preparation of the consolidated financialstatements.

   (iv) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   (v) On the basis of the written representations received from the directors of the Holding Company ason 31st March, 2018 and taken on record by the Board of Directors of the Holding Company, none of the directors are disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

   (vi) With respect to the adequacy of the internal financial controls over financial reporting of Holding Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

   (vii) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 ofthe Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our informationand according to the explanations given to us:

      i. The consolidated Ind AS financial statements disclosed the impact of pending litigations on the consolidated financial position of the Group– Refer Note No 31 to the consolidated financial statements.

      ii. The Group did not have any material foreseeable losseson long-term contracts including derivative contracts.

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent Company.

For BAGARIA & CO. LLP
Chartered Accountants
Firm Registration No: 113447W/W-10019

Vinay Somani
Partner
Membership No. 143503

Place: Mumbai
Date: May 9, 2018

"ANNEXURE A"

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended 31stMarch, 2018, we have audited the internal financial controls over financial reporting of CYBERTECH SYSTEMS & SOFTWARE LIMITED (hereinafter referred to as "the Holding Company" and a subsidiary collectively referred to as "the Group").

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Holding Company have broadly, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31stMarch, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For BAGARIA & CO. LLP
Chartered Accountants
Firm Registration No: 113447W/W-10019

Vinay Somani
Partner
Membership No. 143503

Place: Mumbai
Date: May 9, 2018

Consolidated Balance Sheet as at March 31, 2018

(₹ in Lakhs)

Particulars	Note	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
I. ASSETS				
1 Non-current assets				
Property, plant and equipment	**2**	3,619.08	3,734.05	3,379.51
Capital work - in - progress	**3**	750.72	736.15	754.81
Intangible assets	**4**	774.69	374.43	529.19
Intangible assets under development	**5**	504.94	642.39	472.76
Financial assets				
Investments	**6**	799.82	842.78	-
Other financial assets	**7**	31.46	32.17	37.05
Other non - current assets	**8**	11.82	29.29	10.78
Total non-current assets		**6,492.53**	**6,391.26**	**5,184.10**
2 Current assets				
Financial assets				
Investments	**9**	617.30	578.57	1,169.21
Trade receivables	**10**	2,578.94	2,012.00	1,649.69
Cash and cash equivalents	**11**	918.21	667.45	259.84
Bank balances other than above	**12**	113.67	365.51	416.03
Loans	**13**	0.55	71.68	2.68
Other financial assets	**14**	564.17	929.12	636.38
Other current assets	**15**	154.43	227.15	462.38
Total current assets		**4,947.27**	**4,851.48**	**4,596.21**
Total Assets		**11,439.80**	**11,242.74**	**9,780.31**
II EQUITY AND LIABILITIES				
1 Equity				
Equity share capital	**16**	2 ,741.46	2,707.83	2 ,687.13
Other equity	**17**	4 ,811.75	4,755.50	3 ,886.77
Total equity		**7,553.21**	**7,463.33**	**6,573.90**
Liabilities				
2 Non-current liabilities				
Financial liabilities				
Borrowings	**18A**	-	-	4 .08
Other financial liabilities	**20**	138.43	133.96	137.23
Deferred tax liabilities (net)		211.81	286.01	314.91
Total non current liabilities		**350.24**	**419.97**	**456.22**
3 Current liabilities				
Financial liabilities				
Borrowings	**18B**	1,092.54	996.45	1,064.67
Trade payables	**19**	959.30	773.12	733.72
Other financial liabilities	**20**	93.61	149.49	88.52
Other current liabilities	**21**	216.60	255.96	176.74
Provisions	**22**	195.19	170.31	153.65
Current Tax liabilities (net)	**23**	979.11	1,014.11	532.89
Total current liabilities		**3,536.35**	**3,359.44**	**2,750.19**
Total equity and liabilities		**11,439.80**	**11,242.74**	**9,780.31**
Significant accounting policies	**1B**			

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

As per our report of even date

For BAGARIA & CO. LLP
Chartered Accountants
Firm Registration Number - 113447W/W-10019

Vinay Somani
Partner
Membership No. 143503

Place: Mumbai
Date: May 09, 2018

For and on behalf of the Board of Directors

Sudhir Joshi
Director
DIN: 00349597

Praveen Agarwal
Chief Financial Officer

Ramasubramanian Sankaran
Executive Director
DIN: 05350841

Sarita Leelaramani
Company Secretary
ACS35587

Consolidated Statement of Profit and Loss for the year ended March 31, 2018

(₹ in Lakhs)

Particulars		Note	For the year ended March 31, 2018	For the year ended March 31, 2017
I	**Revenue from Operations**	**24**	8,705.03	8,757.04
II	**Other Income**	**25**	815.47	982.11
III	**Total Income (I + II)**		**9,520.50**	**9,739.15**
IV	**Expenses**			
	Cost of hardware/software package for service delivery and outsourced project cost		918.74	988.01
	Employee benefits expense	**26**	5,589.53	5,382.94
	Finance costs	**27**	186.95	140.46
	Depreciation and amortization expense	**28**	557.65	431.67
	Other expenses	**29**	1,872.68	1,501.88
	Total expenses (IV)		**9,125.55**	**8,444.96**
V	**Profit before tax**		**394.95**	**1,294.19**
VI	**Tax expense**			
	Current tax		160.00	325.00
	Deferred tax (credit)		(73.51)	(23.41)
	Taxation adjustments for earlier years		(8.44)	11.92
			78.05	**313.51**
VII	**Profit for the year (V - VI)**		**316.90**	**980.68**
VIII	**Other Comprehensive Income**			
	(i) Items that will not be reclassified to profit or loss			
	Remeasurements of net defined benefit plans		2.52	15.86
	Income tax relating to items that will not be reclassified to profit or loss		(0.69)	(5.49)
	(ii) Items that will be reclassified to profit & loss			
	a. Exchange differences on translation of foreign operations		(12.75)	29.03
	b. Income tax relating to items that will not be reclassified to profit & loss		-	-
	Other Comprehensive Income for the year (VIII)		**(10.92)**	**39.40**
IX	**Total Comprehensive Income for the year (VII - VIII)**		**327.82**	**941.28**
X	**Earnings per equity share of ₹ 10 each:**	**30**		
	Basic		1.16	3.63
	Diluted		1.14	3.52
	Significant Accounting Policies	**1B**		

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

As per our report of even date

For BAGARIA & CO. LLP
Chartered Accountants
Firm Registration Number - 113447W/W-10019

Vinay Somani
Partner
Membership No. 143503

Place: Mumbai
Date: May 09, 2018

For and on behalf of the Board of Directors

Sudhir Joshi
Director
DIN: 00349597

Ramasubramanian Sankaran
Executive Director
DIN: 05350841

Praveen Agarwal
Chief Financial Officer

Sarita Leelaramani
Company Secretary
ACS35587

Consolidated Statement of changes in equity for the year ended March 31, 2018

(A) Equity Share Capital

(₹ in Lakhs)

	Amount
Balance as at April 01, 2016	**2,687.13**
Changes in share capital during the year	20.70
Balance as at March 31, 2017	**2,707.83**
Changes in share capital during the year	33.63
Balance as at March 31, 2018	**2,741.46**

(B) Other Equity

(₹ in Lakhs)

	Reserves & Surplus			Other Comprehensive income			
Particulars	**Securities Premium Reserve**	**Equity Settled Employee Benefits Reserve**	**Retained Earnings**	**Foreign currency translation reserve**	**Other Comprehensive Income {Other acturial gains/(losses)}**	**Money received against share warrants**	**Total**
Balance as at April 01, 2016	**1,672.95**	**39.77**	**2,047.31**	**126.74**	**-**	**-**	**3,886.77**
Money received against share warrants	-	-	-	-	-	167.50	**167.50**
Exchange differences on translation of foreign operations	-	-	-	(29.03)	-	-	**(29.03)**
Received during the year on issue of shares under ESOP	13.90	-	-	-	-	-	**13.90**
Profit for the year	-	-	980.68	-	-	-	**980.68**
Other Comprehensive Income for the year	-	-	-	-	(10.37)	-	**(10.37)**
Employee share based payment	-	71.56	-	-	-	-	**71.56**
Dividend paid (including dividend distribution tax of ₹ 54.70 lakhs)	-	-	(325.52)	-	-	-	**(325.52)**
Balance as at March 31, 2017	**1,686.85**	**111.33**	**2,702.47**	**97.71**	**(10.37)**	**167.50**	**4,755.50**
Received during the year on issue of shares under ESOP	20.90	-	-	-	-	-	**20.90**
Exchange differences on translation of foreign operations	-	-	-	12.75	-	-	**12.75**
Profit for the year	-	-	316.91	-	-	-	**316.91**
Other Comprehensive Income for the year	-	-	-	-	(1.82)	-	**(1.82)**
Employee share based payment	-	37.49	-	-	-	-	**37.49**
Dividend paid (including dividend distribution tax of ₹ 55.81 Lakhs)	-	-	(329.96)	-	-	-	**(329.96)**
Balance as at March 31, 2018	**1,707.75**	**148.82**	**2,689.42**	**110.45**	**(12.19)**	**167.50**	**4,811.75**

Significant Accounting Policies

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

As per our report of even date

For BAGARIA & CO. LLP
Chartered Accountants
Firm Registration Number - 113447W/W-10019

Vinay Somani
Partner
Membership No. 143503

Place: Mumbai
Date: May 09, 2018

For and on behalf of the Board of Directors

Sudhir Joshi
Director
DIN: 00349597

Praveen Agarwal
Chief Financial Officer

Ramasubramanian Sankaran
Executive Director
DIN: 05350841

Sarita Leelaramani
Company Secretary
ACS35587

Statement of Cash Flows for the year ended March 31, 2018

(₹ in Lakhs)

Particulars		For the year ended March 31, 2018	For the year ended March 31, 2017
A.	**Cash flow from operating activities**		
	Profit before tax	**394.95**	1,294.19
	Adjustments to reconcile net profit to net cash provided by operating activities :		
	Depreciation and amortisation expense	557.65	431.67
	Unrealised foreign exchange gain	(3.78)	(8.90)
	Loss on assets disposed / discarded (Net)	20.89	1.03
	Interest income	(38.35)	(252.65)
	Interest on borrowings	186.95	104.21
	Provision for doubtful debts & Credit loss	204.60	-
	Sundry balances written back (Net)	(8.73)	(64.00)
	Employee share based payments	37.49	61.18
	Profit on sale of investments	(8.15)	
	Gain on fair valutaion of Investments in Mutual funds	(95.77)	(83.02)
		852.80	189.52
	Operating profit before working capital changes	**1,247.75**	1,483.71
	Adjustments for:		
	Decrease/(Increase) in Trade receivables	(755.01)	(398.47)
	Decrease/(Increase) in Other receivables	778.82	(119.68)
	Increase/(Decrease) in Trade and other payables	128.47	101.85
		152.28	(416.30)
	Cash generated from operations	**1,400.03**	1,067.41
	Direct taxes refund (net)	**(186.57)**	322.03
	Net cash from operating activities (A)	**1,213.46**	1,389.44
B.	**Cash flow from investing activities**		
	Purchase of property, plant & equipment	(742.59)	(795.59)
	Sale of property, plant & equipment	1.63	1.16
	Purchase of long term investments	-	(825.00)
	Sale of current investments	108.15	655.88
	Deposits with banks	-	34.15
	Interest received	38.35	248.55
	Net cash used in investing activities (B)	**(594.46)**	**(680.85)**
C.	**Cash flow from financing activities**		
	Proceeds/(Repayments) from short-term borrowings (Net) (refer note 1 below)	96.09	(68.21)
	Repayment of long-term borrowings (refer note 1 below)	-	(4.08)
	Equity issue (ESOP) proceeds (including securities premium)	54.52	34.60
	Money received/(Paid) against share warrants	(1.94)	169.44
	Interest paid	(186.95)	(104.27)
	Dividend and Dividend Tax paid thereon	(329.96)	(328.46)
	Net cash generated used in financing activities (C)	**(368.24)**	(300.98)
	Net Increase/(Decrease) in cash & cash equivalents (A + B + C)	**250.76**	407.61
	Cash & cash equivalents (opening)	667.45	259.84
	Cash & cash equivalents (closing)	**918.21**	667.45

Note 1

(₹ in Lakhs)

Changes in liability arising from financing activities	As at April 01,2017	Cash Flows	As at March 31, 2018
Borrowings - Current (Refer note no. 18B)	996.45	96.09	1,092.54

Significant accounting policies

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

As per our report of even date

For BAGARIA & CO. LLP
Chartered Accountants
Firm Registration Number - 113447W/W-10019

Vinay Somani
Partner
Membership No. 143503

Place: Mumbai
Date: May 09, 2018

For and on behalf of the Board of Directors

Sudhir Joshi
Director
DIN: 00349597

Ramasubramanian Sankaran
Executive Director
DIN: 05350841

Praveen Agarwal
Chief Financial Officer

Sarita Leelaramani
Company Secretary
ACS35587

Notes to consolidated financial statements for the year ended March 31, 2018

'NOTE '1'

The consolidated financial statements comprises financial statements of Cybertech Systems and Software Limited (Parent Company) and its subsidiay in USA (hereinafter to be referredd as the Group) for the year ended March 31, 2018.

A. CORPORATE INFORMATION:

CyberTech Systems and Software Limited (the 'Company') was incorporated on January 19, 1995. Along with its subsidiary in USA, the Company provides Information Technology services to customers primarily in the USA and India with focus on next-generation geospatial, networking and enterprise IT solutions. The Company offers services that span across all major industries including government, education, utilities, public safety & homeland defense, technology, telecom, retail, healthcare, and manufacturing. The Company is focused on delivering its development and support projects on an offshore basis.

The Company is a public limited company incorporated and domiciled in India and has its registered office in Thane, India. The Company has its primary listings on the BSE Limited and National Stock Exchange Limited in India.

B. SIGNIFICANT ACCOUNTING POLICIES:

(i) Basis of Preparation of Consolidated Financial Statements:

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

These Consolidated financial statements for the year ended 31st March, 2018 are the first financials with comparatives, prepared under Ind AS. For all previous periods including the year ended 31st March, 2017, the Company had prepared its financial statements in accordance with the accounting standards notified under Companies (Accounting Standard) Rule, 2006 (as amended) and other relevant provisions of the Act (hereinafter referred to as 'Previous GAAP') used for its statutory reporting requirement in India.

Refer Note 43 for the details of significant first-time adoption exemptions availed by the Group and an explanation of how the transition from previous GAAP to Ind AS has affected the Group's financial position, performance and cash flows.

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

(i) Certain financial assets and liabilities are measured at Fair value (Refer note no.- 1(B)(vii)

(ii) Defined benefit employee plan - Refer note no. 1(B)(xi)

(iii) Derivative Financial instruments Refer note no.- 1(B)(vii)

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

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

Basis of Consolidatation

The consolidated financial statements comprise the financial statements of the Parent Group and its subsidiaries as at March 31, 2018.

Subsidiaries

Subsidiaries are all entities over which the Group has control. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Group controls an investee if and only if the Group has

(a) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)

(b) Exposure, or rights, to variable returns from its involvement with the investee

(c) The ability to use its power over the investee to affect its returns

Consolidation of a subsidiary begins when the group obtains control over the subsidiary and ceases when the Group losses control of the subsidiary.

Consolidatation Procedure

Subsidiaries

(a) Combine, on line by line basis like items of assets, liabilities, equity, income, expenses and cash flows of the Parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financia statements at the acquisition date.

(b) Offset (eliminate) the carrying amount of the Parent's investment in each subsidiary and the Parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill

c) Eliminate in full intra-group assets and liabilities, equity, income, expenses and Cash flows relating to transactions between entities of the group (profits or losses resulting from intra-group transactions that are recognised in assets, such as inventory and property, plant and equipment (PPE), are eliminated in full). Intra-group losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intra-group transactions.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Parent Group and to the noncontrolling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Parent Group and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies

Changes in the Group's ownership interest in existing subsidiaries:

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the group.

When the Group loses control of a subsidiary, a gain or loss is recognised in consolidated statement of profit and loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any noncontrolling interests.

(ii) Use of Estimates and judgments:

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

Critical accounting judgements and key source of estimation uncertainty

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

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

(iii) Property, plant and equipment (PPE)

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

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

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

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

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

(iv) Intangible assets

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

(v) Depreciation and Amortization:

(a) Property plant and equipment (PPE)

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

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

(b) Intangible assets

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

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

(vi) Financial Instruments:

Financial assets - Initial recognition:

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

Subsequent measurement:

Financial assets are subsequently classified as measured at:

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

The above classification is being determined considering the:

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

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

(i) Measured at amortised cost:

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

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

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

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

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

Equity instruments:

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

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

Impairment

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

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

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

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

Derecognition

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

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

Financial Liabilities

Initial Recognition and measurement

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

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

Subsequent measurement

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

Loans & Borrowings:

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

De-recognition

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

Derivative financial instruments

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

Offsetting of financial instruments

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

(vii) Fair Value Measurement

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

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

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

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

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

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

(viii) Cash and Cash Equivalents:

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

(ix) Foreign Currency Transactions:

a) Initial Recognition

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

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

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

(x) Revenue Recognition:

Revenue is measured at the value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates, discounts, loyalty discount, and amounts collected on behalf of third parties.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Group and specific criteria have been met for each of the Group's activities as described below.

Rendering of Services

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.

Interest

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

Dividend

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

(xi) Employee Benefits:

The Group has provides following post-employment plans:

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

a) Defined-benefit plan:

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

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

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

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

Re-measurement comprising of actuarial gains and losses arising from

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

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

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

b) Defined-contribution plan:

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

c) Other employee benefits:

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

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

(xii) Taxes on Income:

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

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

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

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

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

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

(xiii) Borrowing Costs:

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

Other borrowing costs are recognized as an expense in the period in which they are incurred.

(xiv) Earnings Per Share:

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

(xv) Leases:

Where the Group is Lessee

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

Where the Group is Lessor

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

(xvi) Unbilled Revenue

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

(xvii) Provisions, Contingent Liabilities and Contingent Assets:

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

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

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

Contingent assets are neither recognized nor disclosed in financial statements.

Notes to financial statements for the year ended March 31, 2018

2 Property, plant and equipment

(₹ in Lakhs)

	Land	Buildings	Plant & equipment	Furniture & fixtures	Vehicles	Office equipment	Computers	Total
Gross Block								
Deemed Cost as at April 01, 2016 (Refer note. (e) below	23.79	2,237.92	291.01	605.08	40.29	40.39	141.04	**3,379.51**
Additions	-	-	4.64	489.88	11.00	24.39	99.76	**629.66**
Disposals	-	-	0.27	0.00	2.70	-	(0.05)	**2.91**
Balance as at March 31, 2017	**23.79**	**2,237.92**	**295.38**	**1,094.95**	**48.59**	**64.78**	**240.85**	**4,006.26**
Additions	-	-	1.27	91.49	4.52	13.67	109.49	**220.45**
Disposals	-	-	0.78	20.24	3.19	6.91	8.12	**39.24**
Balance as at March 31, 2018	**23.79**	**2,237.92**	**295.87**	**1,166.21**	**49.92**	**71.54**	**342.22**	**4,187.46**
Accumulated Depreciation								
Balance as at April 01, 2016								
Depreciation charge for the year	0.50	45.40	48.40	107.31	7.87	8.28	55.21	**272.98**
Disposals	-	-	-	-	0.77	-	-	**0.77**
Balance as at March 31, 2017	**0.50**	**45.40**	**48.40**	**107.31**	**7.09**	**8.28**	**55.21**	**272.21**
Depreciation charge for the year	0.50	48.44	47.64	123.64	7.99	11.55	73.23	**312.99**
Disposals	-	-	0.46	5.57	1.18	4.77	4.83	**16.82**
Balance as at March 31, 2018	**1.01**	**93.85**	**95.59**	**225.38**	**13.90**	**15.06**	**123.61**	**568.38**
Net Block								
Balance as at April 01, 2016	**23.79**	**2,237.92**	**291.01**	**605.08**	**40.29**	**40.39**	**141.04**	**3,379.51**
Balance as at March 31, 2017	**23.29**	**2,192.52**	**246.98**	**987.64**	**41.50**	**56.50**	**185.63**	**3,734.05**
Balance as at March 31, 2018	**22.78**	**2,144.07**	**200.29**	**940.82**	**36.02**	**56.48**	**218.61**	**3,619.08**

Notes:

a. Refer note no. 18 for disclosure on property, plant and equipment pledged as security.
b. Refer note no. 31 for disclosure on contractual commitments for the acquisition of property, plant and equipment.
c. Land was taken on lease for 66 years from September, 1997.
d. Buildings include ₹ 0.04 lakhs (previous year ₹ 0.04 Lakhs) being the value of 80 (Previous Year 80) shares of ₹ 50 each in Acme Plaza Premises Co-operative Society Ltd.
e. The group has elected to continue with the net carrying value of all property, plant and equipment as at April 01, 2016 (Gross block: ₹ 5,252.48 Lakhs; Accumulated depreciation: ₹1,872.97 Lakhs) as per previous GAAP and use that as the deemed cost.

(₹ in Lakhs)

3 Capital work in progress	**As at March 31, 2018**	**As at March 31, 2017**	**As at April 01, 2016**
Building under construction	750.72	736.15	754.81

(₹ in Lakhs)

4 Intangible assets	**Software**
Year ended April 01, 2016	
Deemed cost as at April 01, 2016 (refer note below)	529.19
Additions	3 .93
Disposals	-
Balance as at March 31, 2017	**533.12**
Additions	638.82
Disposals	(6.09)
Balance as at March 31, 2018	**1 ,178.03**
Accumulated amortisation	
Amortisation for the year	158.69
Disposals	-
Accumulated amortisation as at March 31, 2017	**158.69**
Amortisation for the year	244.65
Disposals	-
Accumulated amortisation as at March 31, 2018	**403.34**
Net carrying amount as at April 01, 2016	**529.19**
Net carrying amount as at March 31, 2017	**374.43**
Net carrying amount as at March 31, 2018	**774.69**

Note- The Group has elected to continue with the net carrying value of Intangible Assets as at April 01, 2016 (Gross block: ₹ 1,056.35 Lakhs; accumulated amortisation: ₹527.17 Lakhs) as per previous GAAP and use that as the deemed cost.

Notes to financial statements for the year ended March 31, 2018

(₹ in Lakhs)

5 Intangible assets under Development	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Software	768.38	642.39	472.76
Total	**768.38**	**642.39**	**472.76**

(₹ in Lakhs)

6 Investments - Non-current	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Unquoted, fully paid up			
Investments in Mutual Funds			
Designated as Fair Value Through Profit and Loss			
UTI Banking & PSU Debt Fund - Dir - Growth NIL (As at March 31, 2017- 759,359.100, As at April 01, 2016- NIL) units of ₹10 each	-	101.76	-
UTI Income Opportunities Fund - Dir - Growth 3,432,014.329 (As at March 31, 2017- 3,432,014.329, As at April 01, 2016- NIL) units of ₹10 each	581.22	537.52	-
BNP Paribas Corporate Bond Fund - Dir - Growth 1,117,818.019 (As at March 31, 2017- 1,117,818.019, As at April 01, 2016- NIL) units of ₹10 each	218.60	203.50	-
	799.82	**842.78**	**-**
	799.82	**842.78**	**-**
Note:			
Aggregate amount of quoted investments and market value thereof	-	-	-
Aggregate amount of unquoted investments; and	799.82	842.78	-
Aggregate amount of impairment in value of investments	-	-	-

(₹ in Lakhs)

7 Other financial assets	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Non current			
Unsecured, considered good			
Security Deposits	31.46	32.17	37.05
Total	**31.46**	**32.17**	**37.05**

(₹ in Lakhs)

8 Other non-current assets	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Prepaid expenses	11.82	29.29	10.78
Total	**11.82**	**29.29**	**10.78**

(₹ in Lakhs)

9 Investments - current	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Designated as Fair Value Through Profit and Loss			
(Unquoted)			
Investments in Mutual Funds			
UTI Treasury Advantage Fund - Institutional Plan (Growth Option)	182.89	172.55	158.67
7650.55 (As at March 31, 2017- 7650.55, As at April 01, 2016- 7650.55) units of ₹1000 each			
UTI Fixed Income Interval Fund - Annual Interval Plan Series - I - Institutional Growth Plan	-	-	635.10
NIL (As at March 31, 2017- NIL, As at April 01,2016- 2,996,182.863) units of ₹10 each			
UTI - Fixed Income Interval Fund - Annual Interval Plan Series - II - Direct Growth Plan	434.41	406.02	375.44
1,817,113.576 (As at March 31, 2017- 1,817,113.576, As at April 01, 2016- 1,817,113.576) units of ₹10 each	**617.30**	**578.57**	**1,169.21**
Aggregate amount of unquoted investments	617.30	578.57	1,169.21
Aggregate amount of impairment in the value of investment	-	-	-

*Refer note no 18B(ii)

Notes to financial statements for the year ended March 31, 2018

(₹ in Lakhs)

10 Trade receivables	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Unsecured, Considered good	2,578.94	2,012.00	1,649.69
Unsecured, Considered doubtful	221.83	28.08	26.22
Less: Allowance for bad and doubtful debts	(221.83)	(28.08)	(26.22)
Total	**2,578.94**	**2,012.00**	**1,649.69**

(₹ in Lakhs)

11 Cash and cash equivalents	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Balances with Banks			
In current accounts	914.79	666.51	258.43
Cash on hand	3.42	0.94	1.41
Total	**918.21**	**667.45**	**259.84**

(₹ in Lakhs)

12 Bank balances other than above	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Balances with Banks			
in unpaid dividend accounts	22.40	20.53	23.47
in fixed deposit accounts *			
-Deposits with maturity more than 3 months but less than 12 months	91.27	344.98	318.15
-Deposits with maturity more than 12 months	-	-	74.41
	113.67	**365.51**	**416.04**
*Fixed Deposits with Banks held as margin money against the following:			
Guarantees issued to Municipal Corporations	91.27	344.98	392.56

(₹ in Lakhs)

13 Loans	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Unsecured, considered good			
Inter corporate deposits *	-	70.00	-
Loans to employees	0.55	1.68	2.68
Total	**0.55**	**71.68**	**2.68**

Disclosure u/s 186(4) of the Companies Act, 2013:

Pursuant to the requirements of Section 186(4), during previous year , the Company has given an intercorporate deposit to Sanimo Polymers Pvt Ltd @ 11% p.a. interest for business purpose.

(₹ in Lakhs)

14 Other financial assets	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Unsecured, considered good			
Unbilled Revenues	485.32	845.79	591.93
Earmarked Deposits	15.00	15.00	-
Security Deposits	36.56	66.96	44.44
Interest receivable on intercorporate deposits	6.48	1.37	-
Claims receivable	20.81	-	-
Total	**564.17**	**929.12**	**636.38**

(₹ in Lakhs)

15 Other current assets	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Unsecured, considered good unless otherwise stated			
Advances for supply of goods and rendering of services		-	
-Considered good	23.09	29.85	85.78
-Considered doubtful	-	9.00	9.00

Notes to financial statements for the year ended March 31, 2018

	23.09	**38.85**	**94.78**
Less: Provision for doubtful advances	-	(9.00)	(9.00)
	23.09	**29.85**	**85.78**
Prepaid expenses	101.85	127.38	123.13
Lease equalisation	2.48	19.93	-
Advances to employees	5.90	16.20	4.05
Balances with government authorities	-	15.03	56.53
Software package for service delivery	-	-	168.10
Other Receivables	21.10	18.76	24.79
Total	**154.43**	**227.15**	**462.38**

(₹ in Lakhs)

16 Equity share capital	**As at March 31, 2018**	**As at March 31, 2017**	**As at April 01, 2016**
Authorised			
36,000,000 Equity Shares of ₹ 10 each	3,600.00	3,600.00	3,600.00
	3,600.00	**3,600.00**	**3,600.00**
Issued			
27,419,552 (As at March 31, 2017- 27,083,302, As at April 01, 2016 -26,876,302) Equity Shares of ₹ 10 each	2,741.96	2,708.33	2,687.63
Subscribed and paid-up			
27,414,593 (As at March 31, 2017- 27,078,343, As at April 01, 2016 - 26,876,302) Equity Shares of ₹ 10 each *	2,741.46	2,707.83	2 ,687.13
*[Allotment of **4,959** (Previous Year 4,959) bonus shares on **3,967** (Previous Year 3,967) equity shares is pending on account of non-establishment of beneficial ownership by National Securities Depository Limited]			
	2,741.46	**2,707.83**	**2,687.13**

(₹ in Lakhs)

a) Reconciliation of number of shares

	As at March 31, 2018		**As at March 31, 2017**		**As at April 01, 2016**	
	Number of shares	**Amount**	**Number of shares**	**Amount**	**Number of shares**	**Amount**
Equity Shares :						
Balance as at the beginning of the year	27,078,343	2,707.83	26,871,343	2 ,687.13	26,871,343	2,687.13
Add: ESOP shares issued during the year (Refer note no:-42)	336,250	33.63	207,000	20.70	-	-
Balance as at the end of the year	**27,414,593**	**2 ,741.46**	**27,078,343**	**2,707.83**	**26,871,343**	**2,687.13**

b) Rights, preferences and restrictions attached to shares

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

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

	As at March 31, 2018		**As at March 31, 2017**		**As at April 01, 2016**	
	Nos.	**%**	**Nos.**	**%**	**Nos.**	**%**
Vish Tadimety	5,624,870	20.52%	5,613,350	20.73%	5,613,350	20.89%
Indotech Holdings LLC	3,900,000	14.23%	3,900,000	14.40%	3,900,000	14.51%
Steven Jeske	2,431,433	8.87%	2,431,433	8.98%	2,431,433	9.05%

d) During the previous five years, the Company has not issued Bonus shares/bought back shares/issued shares for considera on otherthan cash.

e) Refer note no. 42 in respect of Employee Stock option Plan (ESOP Plan)

Notes to financial statements for the year ended March 31, 2018

(₹ in Lakhs)

17 Other Equity

Particulars	Securities Premium Reserve	Equity Settled Employee Benefits Reserve	Retained Earnings	Foreign currency translation reserve	Other Comprehensive Income {Other acturial gains/(losses)}	Money received against share warrants	Total
Balance as at April 01, 2016	1,672.95	39.77	2 ,047.31	126.74	-	-	**3 ,886.77**
Money received against share warrants (Refer note no. 41)	-	-	-	-	-	167.50	**167.50**
Foreign Currency Reinstatement	-	-	-	(29.03)	-	-	**(29.03)**
Received during the year on issue od shares under ESOP	13.90	-	-	-	-	-	**13.90**
Profit for the year	-	-	980.68	-	-	-	**980.68**
Other Comprehensive Income for the year	-	-	-	-	(10.37)	-	**(10.37)**
Employee share based payment	-	71.56	-	-	-	-	**71.56**
Dividend paid (including dividend distribution tax of ₹ 54.70 lakhs)	-	-	(325.52)	-	-	-	**(325.52)**
Balance as at March 31, 2017	**1,686.85**	**111.33**	**2,702.47**	**97.71**	**(10.37)**	**167.50**	**4,755.50**
Received during the year on issue of shares under ESOP	20.90	-	-	-	-	-	**20.90**
Foreign Currency Reinstatement	-	-	-	12.75	-	-	**12.75**
Profit for the year	-	-	316.91	-	-	-	**316.90**
Other Comprehensive Income for the year	-	-	-	-	(1.82)	-	**(1.82)**
Employee share based payment	-	37.49	-	-	-	-	**37.49**
Dividends paid (including dividend distribution tax of ₹ 55.81 Lakhs)	-	-	(329.96)	-	-	-	**(329.96)**
Balance as at March 31, 2018	**1,707.75**	**148.82**	**2,689.42**	**110.45**	**(12.19)**	**167.50**	**4,811.75**

(₹ in Lakhs)

18A Non current borrowings	**As at March 31, 2018**	**As at March 31, 2017**	**As at April 01, 2016**
Measured at amortised cost			
Secured borrowings			
Term loans			
Vehicle Loans from Banks (Refer Note below)	-	-	4.08
Total Borrowings carried at Amortised Cost	**-**	**-**	**4.08**

Nature of security and terms of repayment for Non current

Nature of security

i) The loans were secured by hypothecation of the vehicles purchased there against. Interest was paid @10.05% p.a.

Terms of repayment

The Company had taken vehicle loans amounting to ₹ 8.00 lakhs and ₹ 7.50 lakhs which were being paid in 48 and 47 equal monthly installments of ₹ 0.20 lakhs and ₹ 0.19 lakhs each, respectively. The Company had paid full outstanding loan amount on March 14, 2017.

(₹ in Lakhs)

18B Current borrowings	**As at March 31, 2018**	**As at March 31, 2017**	**As at April 01, 2016**
Secured			
Bank Overdraft (Refer note (i)	222.62	-	-
Bank Overdraft (Refer note (ii)	-	56.58	654.81
Bank Overdraft (Refer note (iii)	-	-	409.86
Cash Credit (Refer note (iv)	869.92	939.87	-
Total	**1,092.54**	**996.45**	**1,064.67**

Note:

i) Bank Overdraft from Bank carry interest @ 10.10% p.a computed on monthly basis on the actual amount utilised and are repayable on demand. Bank Overdraft is secured

Notes to financial statements for the year ended March 31, 2018

by way of exclusive mortgage on immovable property of the Company at Thane and personal guarantee of Director.
ii) Bank Overdraft from Bank carry interest @ 9.5% p.a. to 11.5% p.a computed on monthly basis on the actual amount utilised and were repayable on demand. Bank Overdraft is secured by pledging the units of UTI Mutual fund.
iii) Bank Overdraft from Bank carry interest @ 11% p.a. to 13.5% p.a computed on monthly basis on the actual amount utilised and were repayable on demand. Bank Overdraft is secured by way of exclusive charge on immovable property of the Group at Thane and personal guarantee of the director. (Rent proceeds to be credited with the Escrow account with the bank.)
iv) Cash Credit from Bank carry interest @ 10.10% p.a. to 11% p.a computed on monthly basis on the actual amount utilised and are repayable on demand. Cash credit is secured by way of
a) hypothecation of book debts and other receivables
b) second charge on immovable property of the Company at Thane
c) personal guarantee of Executive Director.

(₹ in Lakhs)

19 Trade payables	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Trade payables [Refer note (a) below]			
- Due to Micro, Small and Medium Enterprise	-	-	-
- Due to others	959.30	773.12	733.71
Total	**959.30**	**773.12**	**733.71**

a) DUES TO MICRO AND SMALL ENTERPRISES

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Group regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Group. There are no overdue principal amounts / interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly, there is no interest paid or outstanding interest in this regard in respect of payments made during the year or brought forward from previous years.

(₹ in Lakhs)

20 Other financial liabilities	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Measured at amortised cost			
Non-current			
Security deposits received against leased premises	138.43	133.96	137.23
Non-current total (A)	**138.43**	**133.96**	**137.23**
Current			
Current maturities of long-term debt	-	-	4.12
Interest accrued but not due on borrowings	-	-	0.06
Security deposits received	3.53	96.32	2.17
Unclaimed Dividend*	22.35	20.53	23.47
Creditors for Fixed Assets	67.73	30.70	58.70
Excess share warrant money received	-	1.94	-
Current total (B)	**93.61**	**149.49**	**88.52**
Total (A+B)	**232.04**	**283.45**	**225.75**

There are no amounts due for payment to the Investor Education and Protection Fund Under Section 125 of the Companies Act, 2013 as at the year end.

(₹ in Lakhs)

21 Other current liabilities	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Current			
Income Received in Advance	169.83	180.56	128.44
Statutory Dues	46.78	75.40	48.30
Total	**216.60**	**255.96**	**176.74**

(₹ in Lakhs)

22 Provisions	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Non-current	**-**	**-**	**-**
Non-current total (A)	**-**	**-**	**-**

Notes to financial statements for the year ended March 31, 2018

Current			
Provision for employee benefits			
Provision for Gratuity	78.99	71.75	69.11
Provision for Compensated Absences	116.20	98.56	84.54
Current total (B)	**195.19**	**170.31**	**153.65**
Total (A+B)	**195.19**	**170.31**	**153.65**

(₹ in Lakhs)

23 Current tax liabilities (Net)	**As at March 31, 2018**	**As at March 31, 2017**	**As at April 01, 2016**
Current			
Provision for tax	979.11	1,014.11	532.89
net of advance tax of ₹ 920.00 lakhs (As at March 31, 2017 of ₹ 1,014.68 lakhs; as at April 01, 2016 of ₹ 1924.24 lakhs)			
Total	**979.11**	**1,014.11**	**532.89**

₹ in Lakhs)

24 Revenue from operations	**For the Year ended March 31, 2018**	**For the Year ended March 31, 2017**
From Sale of Services-		
Information Technology Services	8,705.03	8,757.04
Total	**8,705.03**	**8,757.04**

₹ in Lakhs)

25 Other income	**For the Year ended March 31, 2018**	**For the Year ended March 31, 2017**
Rent Received	680.29	549.75
Less: Rates and Taxes (directly attributable)	(56.21)	(64.77)
	624.08	**484.98**
Interest income on:		
Loans	4.89	13.05
Deposit with banks	14.82	29.40
Income tax refund	18.65	210.19
Profit on sale of investments in Mutual funds	8.15	20.78
Gain on fair valuation of Investments in Mutual funds	95.77	62.25
Exchange Gain (Net)	37.60	97.10
Sundry credit balances written back (Net)	8.73	64.30
Miscellaneous income	2.80	0.06
Total	**815.47**	**982.11**

₹ in Lakhs)

26 Employee benefits expense	**For the Year ended March 31, 2018**	**For the Year ended March 31, 2017**
Salaries and wages	5,712.62	5,246.96
Contribution to provident and other funds	41.19	33.28
Share based payment to employees	37.49	71.56
Staff welfare expenses*	221.54	211.10
	6 ,012.84	**5,562.90**
Less: Transferred to intangible assets under development	(423.31)	(179.96)
Total	**5,589.53**	**5,382.94**

*Including Mediclaim Insurance of ₹ 23.21 Lakhs (Previous Year ₹ 34.30 Lakhs)

Notes to financial statements for the year ended March 31, 2018

(₹ in Lakhs)

27 Finance costs	For the Year ended March 31, 2018	For the Year ended March 31, 2017
Interest expense	112.85	116.73
Other Finance Cost on unwinding of discount	74.10	23.73
Total	**186.95**	**140.46**

(₹ in Lakhs)

28 Depreciation and amortization expense	For the Year ended March 31, 2018	For the Year ended March 31, 2017
Depreciation on Property, Plant and Equipment	313.00	272.98
Amortization on Intangible assets	244.65	158.69
Total	**557.65**	**431.67**

(₹ in Lakhs)

29 Other expenses	For the Year ended March 31, 2018	For the Year ended March 31, 2017
Rent	110.66	113.08
Repairs & Maintenance		
- Buildings	33.51	33.15
- Plant and equipment	107.76	66.89
- Others	80.39	19.56
Insurance	38.69	36.04
Rates and taxes, excluding taxes on income	55.81	23.72
Travelling and conveyance	288.70	375.33
Communication	62.33	83.24
Electricity expenses	87.02	79.23
Professional fees	439.61	295.55
Provision for Bad and Doubtful Debts and advances	178.29	-
Provision for expected credit losses	26.31	1.87
Directors' sitting fees/commission	19.00	26.00
Auditors' Remuneration:		
Audit fees	20.01	22.15
Tax audit fees	1.70	1.70
Certification and other services	2.25	3.93
Reimbursement of expenses-(excluding GST/Service tax)	0.89	1.25
Security expenses	40.91	36.08
Corporate social responsibility expenses (Refer Note no.36)	14.00	12.09
Loss on assets disposed / discarded (net)	20.89	1.03
Miscellaneous expenses	243.96	269.99
Total	**1,872.68**	**1,501.88**

(₹ in Lakhs)

30 EARNINGS PER SHARE (EPS)	As at March 31, 2018	As at March 31, 2017
Profit after tax(PAT) available for Equity Shareholders (Before exceptional items)	316.90	980.68
Weighted Average Number of Equity Shares outstanding for computing Basic EPS	27,346,302	27,015,932
Add: Weighted average number of potential equity shares on account of employee stock options	512,896	864,051
Weighted Average Number of Equity Shares outstanding for computing Diluted EPS	27,859,198	27,879,983
Nominal value of Equity Shares (In Rs)	10.00	10.00
Basic Earnings Per Share	**1.16**	**3.63**
Diluted Earnings Per Share	**1.14**	**3.52**

Notes to financial statements for the year ended March 31, 2018

(₹ in Lakhs)

31	CONTINGENT LIABILITIES AND COMMITMENTS	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
A	**CONTINGENT LIABILITIES**	136.44	136.44	136.44
	i) Disputed Income Tax Demands (Including interest and penalties)	136.44	136.44	136.44

ii) In the previous years, the group has received Income Tax refunds of ₹ 1,894.74 Lakhs (including interest amount of ₹ 740.81 Lakhs) towards Assessment years 1997-98, 1998-99 and 1999-00, pursuant to the favorable Order from Income Tax Appellate Tribunal. The Income Tax Department has filed an appeal against the said Order with the Hon'ble High Court, Bombay. However the group has continued the provision of ₹ 1,219.62 Lakhs (Previous Year ₹ 1,219.62 Lakhs) made in earlier years.

Notes

The group's pending litigations comprise mainly claims against the Group, proceedings pending with Tax and other Authorities. The Group has reviewed all its pending litigations and proceedings and has made adequate provisions, wherever required and disclosed the contingent liabilities, wherever applicable, in its financial statements. The Group does not reasonably expect the outcome of these proceedings to have a material impact on its financial statements.

(₹ in Lakhs)

B	COMMITMENTS	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
	Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances)	-	-	-

32 DISCLOSURE ON RELATED PARTY TRANSACTIONS

Key Management Personnel (KMP)

Mr. Vish Tadimety- Director
Mr. Steven Jeske- Director
Mr. Ramasubramanian Sankaran - Executive Director
Mr. Praveen Agarwal- Chief Financial Officer (From May,10,2017)
Ms. Sarita Leelaramani- Company Secretary (From July 1, 2016)
Mr. Sateesh Wadagbalkar (Up to June 30, 2016)

B) Related party transactions with KMP's during the year:

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Remuneration paid to*		
Mr. Vish Tadimety	183.74	190.97
Mr. Steven Jeske	148.28	154.12
Mr. Ramasubramanian Sankaran	76.39	70.83
Mr. Praveen Agarwal	22.25	-
Ms. Sarita Leelaramani	8.93	6.15
Mr. Sateesh Wadagbalkar	-	5.11

C) Outstanding Balances

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Payables*			
Mr. Vish Tadimety	7.74	7.70	-
Mr. Steven Jeske	6.25	6.21	
Mr. Ramasubramanian Sankaran	6.00	3.14	14.49

Notes to financial statements for the year ended March 31, 2018

Mr. Praveen Agarwal	0.96	-	-
Ms. Sarita Leelaramani	0.27	-	-
Employee Shared base payments -			
Mr. Ramasubramanian Sankaran*	20.42	-	-
Guarantee Taken			
Mr. Ramasubramanian Sankaran	1,092.54	939.87	409.86

* The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.
The above figures do not include provisions for encashable leave, gratuity and premium paid for group health insurance as separate actuarial valuation/ premium paid are not available.

Notes:

(i) All related party transactions entered during the year were in ordinary course of the business and are on arm's length basis.
(ii) No amounts in respect of related parties have been written off / written back during the year, nor has any provision been made for doubtful debts / receivables during the year.
(iii) Related party relationships have been identified by the management and relied upon by the Auditors.

33 Segment Reporting

The Group is in the business of Software Development Services and its operation are regularly reviewed by Chief Operating Decision Maker for assessment of Group's performance and resource allocation. Accordingly, the Group has only one business segment in accordance with the IND AS – 108 "Operating Segments".

34 DISCLOSURE PURSUANT TO IND AS - 19 "EMPLOYEE BENEFITS"
Defined Benefit Plan - Gratuity

In accordance with the applicable laws, the Group provides for gratuity, a defined benefit retirement plan ("The Gratuity Plan") covering eligible employees. The Gratuity Plan provides for a lump sum payment to vested employees on retirement (subject to completion of five years of continuous employment), death, incapacitation or termination of employment that are based on last drawn salary and tenure of employment. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation on the reporting date and the Group makes annual contribution to the gratuity fund administered by Life Insurance Corporation of India under Group Gratuity Scheme.

The disclosure in respect of the defined Gratuity Plan are given below:

(₹ in Lakhs)

A	**Balance Sheet**	**As at March 31, 2018**	**As at March 31, 2017**	**As at April 01, 2016**
	Present value of plan liabilities	129.91	102.53	90.71
	Fair value of plan assets	13.70	3.97	6.17
	Asset/(Liability) recognised	(116.21)	(98.56)	(84.54)

B	**Movements in plan assets and plan liabilities**	**Present value of obligations**	**Fair Value of Plan assets**
	As at 1st April 2017	102.53	3.97
	Current service cost	12.95	-
	Past service cost	10.07	-
	Interest Cost/(Income)	7.38	-
	Return on plan assets excluding amounts included in net finance income/cost	-	0.29
	Actuarial (gain)/loss arising from changes in demographic assumptions	-	-
	Actuarial (gain)/loss arising from changes in financial assumptions	(10.95)	-
	Actuarial (gain)/loss arising from experience adjustments	14.79	1.32
	Employer contributions	-	15.00
	Benefit payments	(6.86)	(6.86)
	As at 31st March 2018	**129.91**	**13.71**

		Present value of	**Fair Value of Plan**

Notes to financial statements for the year ended March 31, 2018

	obligations	assets
As at 1st April 2016	90.71	6.17
Current service cost	11.52	0.48
Past service cost	-	-
Interest Cost/(Income)	7.13	-
Return on plan assets excluding amounts included in net finance income/cost	-	-
Actuarial (gain)/loss arising from changes in demographic assumptions	(10.51)	-
Actuarial (gain)/loss arising from changes in financial assumptions	8.45	-
Actuarial (gain)/loss arising from experience adjustments	17.46	(0.46)
Employer contributions	-	20.00
Benefit payments	(22.23)	(22.23)
As at 31st March 2017	**102.53**	**3.96**

C. Statement of Profit and Loss

(₹ in Lakhs)

	As at March 31, 2018	As at March 31, 2017
Employee Benefit Expenses:		
Current service cost	12.95	11.52
Interest cost/(income)	7.10	6.64
Total amount recognised in Statement of profit & loss	**20.05**	**18.16**
Remeasurement of the net defined benefit liability:		
Actuarial gains/(losses) arising from changes in demographic assumptions	-	(10.51)
Actuarial gains/(losses) arising from changes in financial assumptions	(10.95)	8.45
Experience gains/(losses)	13.48	17.92
Total amount recognised in Other Comprehensive Income	**2.53**	**15.86**

D. Assumptions

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

The significant actuarial assumptions were as follows:

	As at March 31, 2018	As at March 31, 2017
Financial Assumptions		
Discount rate	7.85%	7.20%
Salary Escalation Rate	2.00%	2.00%

E. Sensitivity

The sensitivity of the overall plan liabilities to changes in the weighted key assumptions are:

		Impact on defined benefit obligation	
	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate	1.00%	(14.53)	17.41
Salary Escalation Rate	1.00%	18.11	(15.46)

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

Notes to financial statements for the year ended March 31, 2018

F. The defined benefit obligations shall mature after year end 31st March, 2018 as follows:

Year ending March 31,	Defined benefit obligation - ₹ in Lakhs
2019	3.42
2020	3.70
2021	3.90
2022	4.08
2023	10.00
Thereafter	406.31

ii) Compensated Absences: The Group permits encashment of compensated absence accumulated by their employees on retirement, separation and during the course of service. The liability in respect of the Group, for outstanding balance of leave at the balance sheet date is determined and provided on the basis of actuarial valuation as on March 31, 2018 performed by an independent actuary. The Group doesn't maintain any plan assets to fund its obligation towards compensated absences.

The disclosure in respect of the defined Compensated Absences are given below:

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Expenses recognised in Statement of Profit and Loss	49.44	55.21	
Balance Sheet liability	78.99	71.75	69.11

35. Leases

Group as as lessor

Future minimum lease payment receivables in respect of these leases:

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Upto one year	155.42	384.07
Two to five years	74.39	461.90
More than five years	-	-

The Group has leased its vacant premises under non-cancellable lease agreements. During the year Rs 624.08 Lakhs (Previous Year Rs 484.98 Lakhs) has been recognized as rent income in the statement of profit and Loss under head "Other Income".

(₹ in Lakhs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Rental Income	680.29	549.75
Direct Operating Expenses	56.21	64.77
Net Income	624.08	484.98

Group as a Lessee

Future minimum lease payment in respect of these leases:

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Upto one year	64.12	60.77
Two to five years	36.38	69.76
More than five years	-	-

36 CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE

Gross amount required to be spent by the Group as per Section 135 of Companies Act, 2013 during the year is ₹ 13.88 Lakhs (Previous year ₹ 12.22 Lakhs) and amount actually spent during the year is ₹ 14.00 Lakhs (Previous year ₹ 12.08 Lakhs), the details of which is as given below:

Notes to financial statements for the year ended March 31, 2018

(₹ in Lakhs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Gross amount required to be spent by the Group as per Section 135 of Companies Act, 2013	13.88	12.22
Construction/acquisition of any asset	-	-
On purposes other than above	14.00	12.08

37 Financial Risk Management

Financial risk management objectives and policies:

The Company's business activities exposed it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Group's senior Management has the overall responsibility for establishing and governing the Company's risk management framework.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits , foreign currency receivables, payables and loans and borrowings.

Risk	Exposure arising from	Measurement	Management
Market Risk - Interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Interest rate swaps
Market Risk - Foreign exchange	Financial assets and	Cash flow forecasting	Hedging,
	liabilities	Sensitivity analysis	Forex planning
Credit risk	Cash and cash equivalents,	Ageing analysis/	Diversification in various class
	trade receivables, Investments, loans and other financial assets measured at fair /amortised cost.	Credit ratings	of assets, credit limits and letters of credit
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities; working capital management

(A) Market Risk- Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. The Group is having short term borrowings from banks.

(i) Exposure to interest rate risk - Financial liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Borrowings bearing variable rate of interest - Cash credits - short term in nature	1,092.54	996.45	1,064.67

Hence, the Group is not significantly exposed to the interest rate risk as working capital facility are, as per contractual terms, primarily of short term in nature.

(B) Market Risk- Foreign currency risk.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group has foreign currency trade receivables and is therefore exposed to foreign exchange risk. The exchange rates have been volatile in the recent years and may continue to be volatile in the future. Hence the operating results and financials of the Group may be impacted due to volatility of the rupee against foreign currencies.

Notes to financial statements for the year ended March 31, 2018

Derivative Contracts and unheeded foreign currency exposure

(Derivative contracts outstanding as at March 31, 2018)

(₹ in Lakhs)

	As at March 31, 2018		As at March 31, 2017	
Forward Contract to sell USD	In Foreign Currency	Amount	In Foreign Currency	Amount
	-	-	-	-

Unhedged foreign currency exposure as at March 31, 2018

(₹ in Lakhs)

	As at March 31, 2018		As at March 31, 2017	
Trade receivables	In Foreign Currency	Amount	In Foreign Currency	Amount
	0.06	3.91	-	-

A change of 1% in Foreign currency would have following Impact on profit before tax

(₹ in Lakhs)

	For the year ended March 31, 2018		For the year ended March 31, 2017	
Increase / (decrease) in profit or loss	1% Increase	1% decrease	1% Increase	1% decrease
	0.04	(0.04)	-	-

(C) Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. The Group is exposed to credit risk from its operating activities (trade receivables) and from its financing activities including investments in mutual funds, deposits with banks and financial institutions and debentures and bonds, foreign exchange transactions and financial instruments.

To manage the credit risk from trade receivables, the Group periodically assess financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly. The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period.

Credit risk from investments is managed by the Group's treasury in accordance with the board approved policy and limits.

To assess whether there is a significant increase in credit risk the Group compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

i) Actual or expected significant adverse changes in business,

ii) Actual or expected significant changes in the operating results of the counterparty,

iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,

iv) Significant increase in credit risk on other financial instruments of the same counterparty,

v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees

Ageing of Account receivables (Gross)

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
0-3 months	716.14	583.51	565.96
3-6 months	1207.66	1,085.00	901.11
6 months to 12 months	350.78	250.42	137.78
beyond 12 months	529.86	121.15	71.06
Total	**2 ,804.44**	**2,040.08**	**1,675.91**

Notes to financial statements for the year ended March 31, 2018

Movement in provisions of doubtful debts

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Opening provision	28.08	26.22	-
Add:- Additional provision made	201.08	1.87	26.22
Less:- Provision write off/ reversed	-	-	-
Less:- Provision utilised against bad debts	(3.67)	-	-
Closing provisions	**225.50**	**28.08**	**26.22**

(D) Liquidity Risk

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time, or at a reasonable price. The Group's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related such risk are overseen by senior management. Management monitors the Group's net liquidity position through rolling forecasts on the basis of expected cash flows. The Group's objective is to maintain at all times, optimum levels of liquidity to meet its obligations.

Financing arrangements

The company had access to following undrawn Borrowing facilities at end of reporting period:

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Variable Borrowing -Cash Credit expires within 1 year	907.46	902.55	1,334.33

Maturity patterns of borrowings

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
0-1 years	1,092.54	996.45	1,064.67
more than 1 year	-	-	4.08
Total	**1,092.54**	**996.45**	**1,068.75**

Maturity patterns of Trade Payables and other Financial Liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As atApril 1, 2016
0-1 years	1,052.91	922.61	822.24
more than 1 year	138.43	133.96	137.23
Total	**1 ,191.34**	**1,056.57**	**959.47**

38 Financial instruments

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions are used to estimate the fair values:

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.

2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Notes to financial statements for the year ended March 31, 2018

The carrying amounts and fair values of financial instruments by catergory are as follows:

a. Financial assets

₹ in lakhs

	Instruments carried at fair value				Instruments carried at amortized cost		
	FVOCI (Equity instruments)	**FVOCI (Other instruments)**	**FVTPL**	**Total fair value (A)**	**Carrying amount (B)**	**Fair value**	**Total carrying amount (A+B)**
As at April 01, 2016							
Investments	-	-	1,169.21	1,169.21	-	-	**1,169.21**
Trade receivables	-	-	-	-	1,649.69	1,649.69	**1,649.69**
Cash and bank balances	-	-	-	-	675.86	675.87	**675.87**
Loans	-	-	-	-	2.68	2.68	**2.68**
Other financial assets	-	-	-	-	673.43	673.43	**673.43**
Total	**-**	**-**	**1,169.21**	**1,169.21**	**3,001.68**	**3,001.68**	**4,170.89**
As at March 31, 2017							
Investments	-	-	1,421.35	1,421.35	-	-	**1,421.35**
Trade receivables	-	-	-	-	2,012.00	2,012.00	**2,012.00**
Cash and cash equivalents	-	-	-	-	1,032.96	1,032.96	**1,032.96**
Loans	-	-	-	-	71.68	71.68	**71.68**
Other financial assets	-	-	-	-	961.29	961.29	**961.29**
Total	**-**	**-**	**1,421.35**	**1,421.35**	**4,077.93**	**4,077.93**	**5,499.28**
As at March 31, 2018							
Investments	-	-	1,417.12	1,417.12	-	-	**1,417.12**
Trade receivables	-	-	-	-	2,578.94	2,578.94	**2,578.94**
Cash and cash equivalents	-	-	-	-	1,031.88	1,031.88	**1,031.88**
Loans	-	-	-	-	0.55	0.55	**0.55**
Other financial assets	-	-	-	-	595.63	595.63	**595.63**
Total	**-**	**-**	**1,417.12**	**1,417.12**	**4,207.00**	**4,207.00**	**5,624.12**

b. Financial liabilities

(₹ in Lakhs)

	Instruments carried at fair value		**Instruments carried at amortized cost**		
	FVTPL	**Total carrying amount and fair value (A)**	**Carrying amount (B)**	**Fair value**	**Total carrying amount (A+B)**
As at April 01, 2016					
Borrowings	-	-	1,068.75	1,068.75	1,068.75
Trade payables	-	-	733.72	733.72	733.72
Other financial liabilities	225.75	225.75	-	-	225.75
Total	**225.75**	**225.75**	**1,802.47**	**1,802.47**	**2,028.22**
As at March 31, 2017					
Borrowings	-	-	996.45	996.45	996.45
Trade payables	-	-	733.12	733.12	733.12
Other financial liabilities	283.45	283.45	-	-	283.45
Total	**283.45**	**283.45**	**1,769.57**	**1,769.57**	**2,053.02**
As at March 31, 2018					
Borrowings	-	-	1,092.54	1,092.54	1,092.54
Trade payables	-	-	959.30	959.30	959.30
Other financial liabilities	232.04	232.04	-	-	232.04
Total	**232.04**	**232.04**	**2,051.84**	**2,051.84**	**2,283.88**

The Management assessed that fair value of cash and cash equivalents, trade receivables, investments in term deposits, loans, other financial assets (except derivative financial instruments), trade payables, and other financial liabilities (except derivative financial instruments) is considered to be equal to the carrying amount of these items due to their short-term nature.

Notes to financial statements for the year ended March 31, 2018

c. Fair value estimation

For financial instruments measured at fair value in the Balance Sheet, a three level fair value hierarchy is used that reflects the significance of inputs used in the measurements. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as follows:

- Level 1: quoted prices for identical instruments
- Level 2: directly or indirectly observable market inputs, other than Level 1 inputs; and
- Level 3: inputs which are not based on observable market data.

For assets and liabilities which are carried at fair value, the classification of fair value calculations by category is summarised below:

(₹ in Lakhs)

	Level 1	Level 2	Level 3	Total
As at April 01, 2016				
Assets at fair value				
Investments	-	1,169.21	-	1,169.21
As at March 31, 2017				
Assets at fair value				
Investments	-	1,421.34	-	1,421.34
As at March 31, 2018				
Assets at fair value				
Investments	-	1,417.12	-	1,417.12

Note - Mutual funds are valued unsing the Closing Net Asset Value (NAV)

39 Income Taxes

a) Tax expense recognised in the Statement of Profit and Loss:

₹ in Lakhs

	For the year ended March 31, 2018	For the year ended March 31, 2017
Current tax		
Current year	160.00	325.00
Adjustments for prior periods	(8.44)	11.92
Total current tax	**151.56**	**336.92**
Deferred tax		
Origination and reversal of temporary difference	(73.51)	(23.41)
Total deferred income tax expense/(credit)	**(73.51)**	**(23.41)**
Total income tax expense/(credit)	**78.05**	**313.51**

b) A reconciliation between the statutory income tax rate applicable to the Group and the effective income tax rate of the

	For the year ended March 31, 2018	For the year ended March 31, 2017
Reconciliation of effective tax rate		
Profit / (Loss) before taxation	274.00	1,193.93
Enacted income tax rate in India	27.55%	34.61%
Tax at India Income Tax Rate	**75.49**	**413.20**
Differences due to:		
Expenses not deductible for tax purposes	12.26	26.01
Donation disallowed	1.93	2.18
Tax expenses pertaining to earlier years	(8.44)	11.92
Long term Capital Gain sett off against the Losses	-	(68.86)
MAT Credit utilised	-	(52.05)
Others	(3.19)	(18.89)
Effective tax amount	**78.05**	**313.51**

Notes to financial statements for the year ended March 31, 2018

c) The movement in deferred tax assets and liabilities during the year ended March 31, 2016 and March 31, 2017:

Movement during the year ended March 31, 2018 and March 31,2017	As at April 01, 2016	Credit/(charge) in statement of Profit and Loss	As at March 31, 2017
Deferred tax assets/(liabilities)			
Expenses allowable on payment basis	(56.77)	0.54	(56.24)
On Property, plant & equipment	327.14	(4.10)	323.05
Long term Capital loss	(37.02)	21.63	(15.40)
Fair value gains/losses	81.57	(46.97)	34.60
Total	**314.91**	**(28.90)**	**286.01**

₹ in lakhs

	As at March 31, 2017	Credit/(charge) in statement of Profit and Loss	As at March 31, 2018
Deferred tax assets/(liabilities)			
Expenses allowable on payment basis	(56.24)	(78.40)	(134.64)
On Property, plant & equipment	323.05	(32.81)	290.23
Long term Capital loss	(15.40)	0.54	(14.85)
Fair value gains/losses	34.60	36.47	71.07
	286.01	**(74.21)**	**211.81**

40 Capital risk management

(a) Risk management

The Group's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other
- maintain an optimal capital structure to reduce the cost of capital

The Group will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares.

(₹ in Lakhs)

	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Total equity attributable to equity shareholders of the Company	2,741.46	2,707.83	2,687.13
Net debt (Total borrowings less cash and cash equivalents)	1,092.54	996.45	1,068.75
Total capital (Borrowings and Equity)	**3 ,834.00**	**3,704.29**	**3,755.88**
Gearing ratio	**0.28**	**0.27**	**0.28**

(b) Dividends

(₹ in Lakhs)

Dividend paid during the year	2017-18	2016-17
(i) Equity Shares Final dividend for the year ended March 31, 2017 of ₹ 1 Per fully paid up share (March 31, 2016 - ₹ 1) [Including dividend distribution tax of ₹ 54.70 Lakhs]	323.42	323.42
(ii) Dividends not recognised at the end of reporting period Since year end, the directors have recommended the payment of a final dividend of ₹ 1 per fully paid up equity share (March 31, 2017 - ₹ 1) The Proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting. [Including dividend distribution tax of ₹ 54.70 Lakhs]	323.42	323.42

41 Share Warrants

During the previous financial year, the Parent Company has issued 10,00,000 Warrants at a price of ₹ 67 each entitling them for subscription of equivalent number of equity shares of ₹ 10 each (including premium of ₹ 57 each share) in accordance with Chapter VII of SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2009.

Money received against these share warrants represent 25% of the warrants value which entitles the warrant holder, the option to apply for and be allotted equivalent number of equity shares of the face value of ₹ 10 each. The holder of the warrants would need to exercise the option to subscribe

to equity shares before the expiry of 18 months from the date of allotment made on October 27, 2016 by paying the balance 75% of the consideration of warrants. In case of non payment of the balance amount before the expiry period, the application money will be forfeited.

42 Employee Share Based payments

(a) Employee option plan

The Group's Employees' Stock Option Scheme - 2007, provides for issue of equity option in each financial year up to 5% (Previous Year 5%) of the outstanding fully paid-up equity capital of the Group as on March 31, 2007 on to eligible employees, and the carry forward of un-allotted options in each of the financial years to the subsequent financial years for grant, in aggregate not exceeding 9,264,970 shares (Previous Year 9,264,970 shares). The Shareholders at their meeting held on September 30, 2014 passed a new ESOP plan 2014. Under new ESOP plan, the shareholders has permitted to grant 1,323,567 equity shares to the employees of the Group and to the employees of wholly owned subsidiary viz. CyberTech Systems and Software Inc., USA. The scheme covers directors and the employees of the subsidiaries, apart from the employees and directors of the Group except directors/ employees belonging to promoter group. The options vest in a phased manner over four years with 25% of the grants vesting at the end of each year from the date of grant and the same can be exercised within seven years from the date of the grant at the market price as on the date of the grant. One option is equal to one equity share.

Movement during the period:

The number and weighted average exercise prices (WAEP) of the options granted and movement during the period is as follows:

	March 31, 2018		March 31, 2017	
	Numer of options	WAEP	Numer of options	WAEP
Opening balance	1,783,000	38.22	1,740,000	28.32
Add: Granted during the year *	50,000	56.55	250,000	89.35
Less: Exercised during the year	336,250	16.21	207,000	16.72
Less: Forfeited during the year**	300,000	77.40	-	-
Expired during the year	-	-	-	-
Closing balance* **	**1,196,750**	**35.35**	**1 ,783,000**	**38.22**

* Includes Nil options granted to Executive director during the year ended March 31, 2018 (For the year ended March 31, 2017 - 2,00,000)

** Out of 300,000 Options, 250,000 Options granted to the employees of the Company on January 31, 2017 was surrendered during the year. Other 50,000 Options were lapsed on expiry of its tenure.

*** Includes 4,50,000 options granted to Executive director outstanding as at March 31, 2018 (as At March 31, 2017 - 6,50,000)

Weighted average equity share price at the date of exercise of options during the year was ₹ 35.35 (2016-17: ₹ 38.22)

The following table summarises information about outstanding stock options:

As at March 31, 2018

Range of Exercise price	Number of shares arising out of Options	Weighted average remaining life (in years)	Weighted average exercise price (in ₹)
₹ 10- ₹ 15	128,000	2	11.34
₹ 16 - ₹ 45	1,018,750	5	37.22
₹ 46 - ₹ 90	50,000	7	56.55

As at March 31, 2017

Range of Exercise price	Number of shares arising out of Options	Weighted average remaining life (in years)	Weighted average exercise price (in ₹)
₹ 10- ₹ 15	268,000	5	11.34
₹ 16 - ₹ 45	1,265,000	5	33.81
₹ 46 - ₹ 90	250,000	7	89.35

(b) Fair value of options granted

The fair value at grant date of options granted during the year ended March 31, 2018 was INR 29.65 per option (March 31, 2017: INR 46.67 per option). The fair value at grant date is determined using the Black Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option. The value of the option has been determined by an independent valuer.

Notes to financial statements for the year ended March 31, 2018

The model inputs for options granted during the period ended March 31, 2018 and March 31, 2017 included:

	For the year ended March 31, 2018	For the year ended March 31, 2018
Dividend Yield	0.03%	0.04%
Expected Volatility	60%	58%
Risk free interest rate	6.86%	6.70%
Expected life of share options	7 years	7 years

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

(c) Expense arising from share based payment transactions

Total expenses arising from share based payment transactions recognised in profit or loss as part of employee benefit expense were as follows:

	For the year ended March 31, 2018	For the year ended March 31, 2017
Employee stock option	37.49	71.56
Total employee share-based payment expense	**37.49**	**71.56**

43 First-time adoption of Ind AS

The Group has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from 1st April, 2017, with a transition date of 1st April, 2016. The adoption of Ind AS has been carried out in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards. Ind AS 101 requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS financial statements for the year ended March 31, 2018 be applied retrospectively and consistently for all financial years presented. However, in preparing these Ind AS financial statements, the Group has availed of certain exemptions and exceptions in accordance with Ind AS 101, as explained below. The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under Ind AS and Previous GAAP have been recognised directly in equity (retained earnings or another appropriate category of equity).

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

A. Optional Exemptions

(a) Deemed Cost

Ind AS 101 permits to measure all its property, plant & equipment and Intangible assets at their previous GAAP carrying value i.e. being deemed cost represented by Gross Block reduced by accumulated depreciation on April 01, 2016.

(b) Designation of previously recognised financial instruments

Paragraph D19B of Ind AS 101 gives an option to an entity to designate investments in equity instruments at FVOCI on the basis of the facts and circumstances at the date of transition to Ind AS.The company has opted to apply this exemption for its investment in equity Investments.

B. Mandatory Exceptions

(a) Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies).

Ind AS estimates as at 1 April 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- Investment in equity instruments carried at FVTPL or FVOCI; and
- Impairment of financial assets based on expected credit loss model.

(c) Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

C. Transition to Ind AS - Reconciliations

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from previous GAAP to Ind AS in accordance with Ind AS 101:

I. Reconciliation of Balance sheet as at April 1, 2016 and March 31, 2017
II. Reconciliation of Statement of total Comprehensive Income for the period ended March 31, 2017
III. Reconciliation of Equity as at April 1, 2016 and March 31, 2017
IV. Impact on cash flow statement for the period ended March 31, 2017

The presentation requirements under Previous GAAP differs from Ind AS and hence Previous GAAP information has been regrouped for ease of reconciliation with Ind AS. The Regrouped Previous GAAP information is derived from the Financial Statements of the Group prepared in accordance with Previous GAAP.

Notes to financial statements for the year ended March 31, 2018

I. Reconciliation of Balance sheet as at April 1, 2016 and March 31, 2017

(₹ in Lakhs)

I ASSETS	Note	As At 1-Apr-16 Previous GAAP	Ind AS adjustments	As At 1-Apr-16 IND AS
1 (1) NON - CURRENT ASSETS				
Property, plant and equipment		3,379.51	-	3,379.51
Capital work - in - progress		754.81	-	754.81
Intangible assets		529.19	-	529.19
Intangible assets under development		472.76	-	472.76
Financial Assets				
Other financial assets		37.05	-	37.05
Other non - current assets		10.78	-	10.78
Total Non-Current Assets		**5,184.10**	**-**	**5,184.10**
2 Current assets				
Financial Assets				
Investments	3	890.17	279.04	1,169.21
Trade receivables		1,661.78	(12.09)	1,649.69
Cash and cash equivalents		259.84	-	259.84
Bank balances other than above		416.03	-	416.04
Loans		2.68	-	2.68
Other current Financial Asset		636.38	-	636.38
Other current assets		462.38	-	462.38
Total Current Assets		**4,329.26**	**266.94**	**4,596.21**
Total Assets		**9,513.36**	**266.94**	**9,780.31**
II EQUITY AND LIABILITIES				
1 Equity				
Equity share capital		2,687.13	-	2,687.13
Other equity		3,348.73	538.04	3,886.77
Total Equity		**6,035.86**	**538.04**	**6,573.90**
Liabilities				
2 Non-current liabilities				
Financial Liabilities				
Borrowings		4.08	-	4.08
Other financial liabilities		182.21	(44.98)	137.23
Deferred tax liabilities (net)		259.70	55.21	314.91
Total Non Current Liabilities		**445.99**	**10.22**	**456.22**
3 Current liabilities				
Financial Liabilities				-
Borrowings		1,064.67	-	1,064.67
Trade payables		733.72	-	733.72
Other current financial liabilities		88.52	-	88.52
Other current liabilities		134.64	42.10	176.74
Provisions		153.65	-	153.65
Current Tax liabilities (net)		856.31	(323.42)	532.89
Total Current Liabilities		**3,031.49**	**(281.31)**	**2,750.19**
Total equity and liabilities		**9,513.36**	**266.95**	**9,780.31**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

Notes to financial statements for the year ended March 31, 2018

(₹ in Lakhs)

		As At 31-Mar-17 Previous GAAP	Ind AS adjustments	As At 31-Mar-17 IND AS
I	**ASSETS**			
1	**(1) NON - CURRENT ASSETS**			
	Property, plant and equipment	3,734.05	-	3,734.05
	Capital work - in - progress	736.15	-	736.15
	Intangible assets	374.43	-	374.43
	Intangible assets under development	642.39	-	642.39
	Financial Assets			
	Investments	824.99	17.79	842.78
	Other financial assets	32.17	-	32.17
	Deferred tax assets	-	-	-
	Other non - current assets	29.29	-	29.29
	Total Non-Current Assets	**6,373.47**	**17.79**	**6,391.26**
2	**Current assets**			
	Financial Assets			
	Investments	433.26	145.31	578.57
	Trade receivables	2,017.12	(5.12)	2,012.00
	Cash and cash equivalents	667.45	-	667.45
	Bank balances other than above	365.51	-	365.51
	Loans	71.68	-	71.68
	Other current Financial Asset	929.12	-	929.12
	Current Tax Assets (Net)	-	-	-
	Other current assets	227.15	-	227.15
	Total Current Assets	**4,711.29**	**140.19**	**4,851.48**
	Total Assets	**11,084.76**	**157.98**	**11,242.74**
II	**EQUITY AND LIABILITIES**			
1	**Equity**			
	Equity share capital	2,707.83	-	2,707.83
	Other equity	4,621.29	134.21	4,755.50
	Total Equity	**7,329.12**	**134.21**	**7,463.33**
	Liabilities			
2	**Non-current liabilities**			
	Financial Liabilities			
	Other financial liabilities	213.92	(79.97)	133.96
	Deferred tax liabilities (net)	257.61	28.40	286.01
	Total Non Current Liabilities	**471.53**	**(51.56)**	**419.97**
3	**Current liabilities**			
	Financial Liabilities			-
	Borrowings	996.45	-	996.45
	Trade payables	773.12	-	773.12
	Other current financial liabilities	149.49	-	149.49
	Other current liabilities	180.63	75.32	255.96
	Provisions	170.31	-	170.31
	Current Tax liabilities (net)	1,014.11	-	1,014.11
	Total Current Liabilities	**3,284.11**	**75.32**	**3,359.44**
	Total equity and liabilities	**11,084.76**	**157.98**	**11,242.74**

Notes to financial statements for the year ended March 31, 2018

II Reconciliation of Statement of Profit and Loss for the year ended March 31, 2017

(₹ in Lakhs)

	Previous GAAP	Ind AS adjustments	IND AS
INCOME			
Revenue from Operations	8,757.04	-	8,757.04
Other Income	1,063.72	(81.61)	982.11
Total Income (I + II)	**9,820.77**	**(81.61)**	**9,739.15**
Expenses			
Cost of hardware/software package for service delivery and outsourced project cost	988.01	-	988.01
Employee benefits expense	5,327.24	55.70	5,382.94
Finance costs	116.73	23.73	140.46
Depreciation and amortization expense	431.67	-	431.67
Other expenses	1,500.01	1.87	1,501.88
Total expenses (IV)	**8,363.67**	**81.29**	**8,444.96**
Profit before tax (III - IV)	**1,457.10**	**(162.90)**	**1,294.19**
Tax expense			**-**
Current tax	325.00	-	325.00
Deferred tax (credit)	(2.10)	(21.31)	(23.41)
Taxation Adjustments for earlier years	11.92	-	11.92
Profit for the year (V - VI)	**1,122.28**	**(141.59)**	**980.68**
Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss			
Remeasurements of net defined benefit plans	-	15.86	15.86
Income tax relating to items that will not be reclassified to profit or loss	-	(5.49)	(5.49)
(ii) Items that will be reclassified to profit & loss			
a. Exchange differences on translation of foreign operations, net of taxes		29.03	29.03
Other Comprehensive Income for the year (VIII)	**-**	**39.40**	**39.40**
Total Comprehensive Income for the year (VII - VIII)	**1,122.28**	**(180.99)**	**941.28**

III Reconciliation of Equity	**As at March 31, 2017**	**As at April 01, 2016**
Total equity under local GAAP	**7,329.12**	**6,035.87**
Adjustments impact: Gain/ (Loss)		
Reversal of proposed ordinary dividends payable including dividend distribution tax	-	323.42
Fair Valuation of Investments and Financial assets through Profit & Loss	167.74	281.92
Fair Valuation of Financial Liabilities including derivative instruments	(0.20)	(9.03)
Expected credit loss	(4.92)	(3.06)
Deferred Tax impact on above adjustments	(28.40)	(55.21)
Total IND AS adjustment	**134.21**	**538.04**
Total equity under Ind AS	**7,463.33**	**6,573.90**

IV Impact on cash flow statement for the period ended March 31, 2017

There were no material differences between the Statement of Cash Flows presented under Ind AS and the Previous GAAP.

Notes to first time adoption

Note 1: Proposed Dividend

Under the previous GAAP, dividend proposed by the board of directors after the balance sheet date but before the approval of the financial statements were considered as subsequent events. Accordingly, provision for proposed dividend including dividend distribution tax was recognised as liability. Under Ind AS, such dividends are recognised when the same is approved by the shareholders in the general meeting.

Note 2: Remeasurement of post employment benefit obligations

Under the previous GAAP, cost relating to post employment benefit obligations including actuarial gain/losses were recoginsed in Profit & Loss. Under Ind AS, actuarial gain/losses on the net defined benefit liability are recognised in other comprehensive income instead of profit & loss.

Notes to financial statements for the year ended March 31, 2018

Note 3: Fair Valuation of Investments

Under previous GAAP, investment in equity instruments were classified into long term and current investments. Long term investments were carried at cost less provision other than temporary in nature. Current investments wre carried at lower of cost or fair value. Under Ind AS, these investments are require to be measured at fair value either through OCI (FVTOCI) of Through Profit & loss (FVTPL). The Group has opted to fair value these investments through Profit & loss.

Note 4: Share based payments

Ind AS requires the fair value of the share options to be determined using an appropriate pricing model recognised over the vesting period. An additional expense has been recognised in Consolidated Statement of Profit and Loss for the year ended 31st March, 2017. Share options which were granted before and still vesting at 1st April, 2016, have been recognised as a separate component of equity in Equity settled share based payment reserve against retained earnings at 1st April, 2016.

Note 5: Financial liabilities at amortised cost

Under previous GAAP, certain financial liabilities - Deposits received for leased premises were shown at their transaction amount. Under Ind As those are emasured at fair value at amortised ocst by applying effective interest rate method.

Note 6: Fair Valuation of Foreign exchange forward contracts

Under Ind AS, foreign exchange forward contracts are mark-to-market as at Balance Sheet date and unrealised net gain or loss is recognised in profit and loss statement. Derivative assets and derivative liabilities are presented on gross basis.

Note 7: Foreign currency translation

Under Previous GAAP, the Group recognised translation differences on foreign operations in a separate component of equity. Under Ind AS, the exchange differences on account of translation of foreign operations has been accounted through other comprehensive income.

Note 8: Trade Receivables

Under Indian GAAP, Group has recognised specific amount towards impairment of Trade receivables on the basis of incurred losses. Under Ind AS, impairment allowance has been recognised based on Expected Credit Loss basis (ECL).

Note 9: Deferred taxes

Under previous GAAP, deferred taxes were recognised based on Profit & loss approach i.e. tax impact on difference between the accounting income and taxable income. Under Ind AS, deferred tax is recognised by following balance sheet approach i.e. tax impact on temporary difference between the carrying value of asset nd liabilities in the books and their respective tax base.

44 The Group is yet to receive balance confirmations in respect of certain financial assets and financial liabilities. The Management does not expect any material difference affecting the current year's financial statements due to the same.

45 Recent accounting pronouncements

IND AS 115 - Revenue from Contracts with Customers

MCA has notified the Companies (Indian Accounting Standards) Amended Rules, 2018 ("amended rules"). As per the amended rules, Ind AS 115 "Revenue from contracts with customers" supersedes Ind AS 11, "Construction contracts" and Ind AS 18, "Revenue" and is applicable for all accounting periods commencing on or after April 1, 2018. Ind AS 115 introduces a new framework of five step model for the analysis of revenue transactions. The model specifies that revenue should be recognised when (or as) an entity transfer control of goods or services to a customer at the amount to which the entity expects to be entitled. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The new revenue standard is applicable to the Group from 1 April 2018.

Ind AS 21 - Foreign currency transactions and advance consideration:

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 effective from April 1, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.

46 The financial statements were approved for issue by the Board of Directors on May 09, 2018.

CYBERTECH SYSTEMS AND SOFTWARE INC. (USA)
(WHOLLY OWNED SUBSIDIARY)
ANNUAL REPORT 2017-18

BOARD'S REPORT

To the Shareholders of

CyberTech Systems and Software, Inc. (USA)

Your Directors have pleasure in presenting this Annual Report on the business and operations of your Company together with the Audited Accounts of the Company for the year ended March 31, 2018.

COMPANY FINANCIAL RESULTS:

Particulars	(Amt in USD)	
	2017-18	2016 – 17
Gross Revenue	**11,568,261**	10,646,236
Profit/(Loss) before Interest & Depreciation	**340,590**	143,477
Interest	**NIL**	NIL
Depreciation	**152,479**	19,500
Profit/(Loss) before tax	**188,111**	123,977
Provision for tax	**NIL**	NIL
Current Tax	**NIL**	NIL
Profit after tax	**188,111**	123,977
Profit/(Loss) b/f from previous year	**(2,622,398)**	(2,746,375)
Balance to be carried forward	**(2,434,288)**	(2,622,398)

REVIEW OF COMPANY'S OPERATIONS AND PERFORMANCE:

Operations of the Company are integrated with its parent company viz., CyberTech Systems and Software Limited. The Company operates as its parent company's sales front end, servicing the combined Company's customers in the United States and promoting offshore support and development services. The Company focuses on customer facing and business development activities including pre-sales, marketing, sales and onsite project/program management activities.

During the year under review, your Company, CyberTech Systems and Software, Inc., has made a Profit of US$188,111 on the revenue of US$11,568,261. The Company continues to see steady growth from US which grew approximately 10% on year-on-year basis in FY18.

Your Company continues to maintain its focus on the alliances with partners such as ESRI®, Microsoft®, CISCO®, SAP® etc., any increase in offshore related services should have the effect of increased Company margins, profitability and increased longevity of business contracts. The Company intends it's growth share with the existing clients which will have a supplemental effect of reducing cost of overhead as well as the delivery cost.

Your Company continues to invest in building Spatial Analytics based products and platform. We participated and co-sponsored the *Geospatial World Forum 2018 Conference* and showcased our Geospatial platforms and solutions for smart Cities. We also participated in Sapphire 2018, largest annual SAP user event. And during FY18 we also participated in ESRI UC 2018 and presented our Healthcare Analytics Platform CyberServe® for Population Health.

Your Company hired proven senior professionals in line with its strategy towards development of Cloud based Spatial Analytics Platforms. Their expertise will help us strengthen our platform architecture and make our offerings next-gen and IoT ready and open new channel models. Your Company will continue to invest in top-level talent hiring and building a strong sales model to grow its business in the area of spatial analytics platforms. The Company is directionally moving from an "IT Services only firm" into a 'Geospatial Platform and Solutions Provider" space with increased focus on spatial analytics platforms.

Registered Office
1301, West 22nd Street,
Suite 308, Oak Brook,
IL 60523, USA.

For and on behalf of the Board of Directors

Vish Tadimety
Chairman

Place : Trevose, PA, USA
Date : August 10, 2018

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CYBERTECH SYSTEMS & SOFTWARE INC. (USA)

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone financial statements of **CYBERTECH SYSTEMS & SOFTWARE INC. (USA)** ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Cash Flows, the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act and relevant rules thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS 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 Standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Standalone Ind AS financial statements are free from material misstatement.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by the Act, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs of the Company as at 31st March, 2018 and its profit (including other comprehensive income), its cash flows and changes in equity for the year ended on that date.

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

R. P. Baradiya
Partner
Membership No. 44101

Place: Mumbai
Date: 8th May, 2018

Balance Sheet as at March 31, 2018

	Particulars	Note	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
			US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)
I.	**ASSETS**							
1	**Non-current assets**							
	Property, plant and equipment	**2**	27,039	17.62	18,728	12.15	25,147	16.67
	Intangible assets	**3**	856,426	558.13	-	-	-	-
	Intangible assets under development	**4**	376,103	245.11	908,066	588.88	713,066	472.76
	Financial assets							
	Other financial assets	**5**	16,948	11.05	21,844	14.17	17,818	11.81
	Total non-current assets		**1,276,516**	**831.91**	**948,638**	**615.20**	**756,031**	**501.24**
2	**Current assets**							
	Financial assets							
	Trade receivables	**6**	2,110,346	1,375.31	1,805,034	1,170.56	2,245,091	1,488.50
	Cash and cash equivalents	**7**	759,239	494.80	999,192	647.98	369,398	244.91
	Other current financial assets	**8**	110,482	72.00	95,670	62.04	357,403	236.96
	Other current assets	**9**	94,526	61.60	111,091	72.05	87,961	58.32
	Total current assets		**3,074,593**	**2,003.71**	**3,010,987**	**1,952.63**	**3,059,853**	**2,028.69**
	Total assets		**4,351,109**	**2,835.62**	**3,959,625**	**2,567.83**	**3,815,884**	**2,529.93**
II	**EQUITY AND LIABILITIES**							
1	**Equity**							
	Equity share capital	**10**	1,515,850	9 87.88	1,515,850	983.03	1,515,850	1,005.01
	Other equity	**11**	(865,138)	(563.81)	(1,053,248)	(683.03)	(1,177,225)	(780.50)
	Total equity		**650,712**	**424.07**	**462,602**	**300.00**	**338,625**	**224.51**
	Liabilities							
3	**Current liabilities**							
	Financial liabilities							
	Trade payables	**12**	3,553,689	2,315.94	3,360,985	2,179.61	3,359,421	2,227.30
	Other current liabilities	**13**	146,708	95.61	136,038	88.22	117,838	78.12
	Total current liabilities		**3,700,397**	**2,411.55**	**3,497,023**	**2,267.83**	**3 ,477,259**	**2,305.42**
	Total equity and liabilities		**4,351,109**	**2,835.62**	**3,959,625**	**2,567.83**	**3,815,884**	**2,529.93**
	Significant Accounting Policies	**1**						
	The accompanying notes are an integral part of the standalone financial statements.							

As per our report of even date

For **LODHA & CO.**
Firm Registration Number - 301051E
Chartered Accountants

R.P.Baradiya
Partner
Membership. No. 44101

Place : Mumbai
Date : May 08, 2018

For and on behalf of the Board of Directors

Steven Jeske
Director

Place : Oakbrook
Date : May 08, 2018

Statement of Profit and Loss for the year ended March 31, 2018

	Particulars	Note	For the year ended March 31, 2018		For the year ended March 31, 2017	
			US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)
I	**Revenue from Operations**	**14**	11,566,078	7,456.53	10,556,997	7,073.92
II	**Other Income**	**15**	2,183	1.41	89,239	59.80
III	**Total Income (I + II)**		**11,568,261**	**7,457.94**	**10,646,236**	**7,133.72**
IV	**Expenses**					
	Cost of hardware/software package for service delivery and outsourced project cost		6,527,903	4,208.47	6,175,332	4,137.91
	Employee benefits expense	**16**	3,515,729	2,266.56	3,264,039	2,187.13
	Depreciation and amortization expense	**17**	152,479	98.30	19,500	13.07
	Other expenses	**18**	1,184,039	763.34	1,063,388	712.54
	Total expenses (IV)		**11,380,150**	**7,336.67**	**10,522,259**	**7,050.65**
V	**Profit before tax**		**188,111**	**121.27**	**123,977**	**83.07**
VI	**Tax expense**					
	Current tax		-	-	-	-
	Deferred tax (credit)		-	-	-	-
			-	-		-
VII	**Profit for the year (V - VI)**		**188,111**	**121.27**	**123,977**	**83.07**
VIII	**Other Comprehensive Income**					
	Items that will not be reclassified to profit or loss					
	Remeasurements of net defined benefit plans		-	-	-	-
	Income tax relating to items that will not be reclassified to profit or loss		-	-	-	-
	Other Comprehensive Income for the year (VIII)		**-**	**-**	**-**	**-**
IX	**Total Comprehensive Income for the year (VII - VIII)**		**188,111**	**121.27**	**123,977**	**83.07**
X	**Earnings per equity share:**					
	Basic & Diluted	**19**	0.12	8.00	0.08	5 .48
	Significant Accounting Policies	**1**				
	The accompanying notes are an integral part of the standalone financial statements.					

As per our report of even date

For **LODHA & CO.**
Firm Registration Number - 301051E
Chartered Accountants

R.P.Baradiya
Partner
Membership. No. 44101

Place : Mumbai
Date : May 08, 2018

For and on behalf of the Board of Directors

Steven Jeske
Director

Place : Oakbrook
Date : May 08, 2018

Cash Flow Statement for the year ended March 31, 2018

Particulars	For the year ended March 31, 2018		For the year ended March 31, 2017	
	US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)
A. Cash flow from operating activities				
Profit before tax	**188,111**	**121.27**	**123,977**	**83.07**
Adjustments for:				
Depreciation and amortisation expense	152,479	98.30	19,500	13.07
Interest income	(1,043)	(0.67)	(978)	(0.66)
Provision for doubtful debts	800	0.52	-	-
Sundry Credit Balances written back	(1,140)	(0.74)	(87,810)	(58.84)
Unrealised foreign exchange gain	-	2.80	-	(52.42)
Operating profit before working capital changes	**339,207**	**221.48**	**54,689**	**(15.78)**
Adjustments for:				
Decrease/(Increase) in Trade receivables	(306,112)	(205.26)	440,057	299.02
Decrease/(Increase) in Other receivables	6,649	3.60	234,577	158.84
Increase/(Decrease) in Trade and other payables	204,516	144.47	107,574	67.96
Cash generated from operations	**244,260**	**164.29**	**836,897**	**510.06**
Direct taxes paid (net)	-	-	-	-
Net cash generated from operating activities (A)	**244,260**	**164.29**	**836,897**	**510.06**
B. Cash flow from investing activities				
Purchase of property, plant & equipment	(485,254)	(318.14)	(208,081)	(107.64)
Interest received	1,043	0.67	978	0.66
Net cash from investing activities (B)	**(484,211)**	**(317.47)**	**(207,103)**	**(106.98)**
C. Cash flow from financing activities				
Net cash from financing activities (C)	**-**	**-**	**-**	**-**
Net Increase in cash & cash equivalents (A + B + C)	**(239,953)**	**(153.18)**	**629,794**	**403.06**
Cash & cash equivalents - Opening	999,192	647.98	369,398	244.92
Cash & cash equivalents - Closing	**759,239**	**494.80**	**999,192**	**647.98**
Significant Accounting Policies	**1**			
The accompanying notes are an integral part of the standalone financial statements.				

As per our report of even date

For **LODHA & CO.**
Firm Registration Number - 301051E
Chartered Accountants

R.P.Baradiya
Partner
Membership. No. 44101

Place : Mumbai
Date : May 08, 2018

For and on behalf of the Board of Directors

Steven Jeske
Director

Place : Oakbrook
Date : May 08, 2018

Statement of changes in equity for the year ended March 31, 2018

(A) Equity Share Capital

	US Dollars	₹(In Lakhs)
Balance as at April 01, 2016	**1,515,850.00**	**1,005.01**
Changes in share capital during the year	-	(21.98)
Balance as at March 31, 2017	**1,515,850.00**	**983.03**
Changes in share capital during the year	-	4.85
Balance as at March 31, 2018	**1,515,850.00**	**987.88**

(B) Other Equity

Particulars	Securities Premium Reserve		Retained Earnings		Foreign Currency Translation Reserve		Total	
	US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)
Balance as at 1st April, 2016	**1,569,150**	**1,040.35**	**(2,746,375)**	**(1,457.53)**	**-**	**(363.31)**	**(1,177,225)**	**(780.50)**
Profit for the year	-	-	123,977	83.07	-	-	123,977	83.07
Foreign Currency Reinstatement	-	(22.75)				37.15	-	14.40
Balance as at 31st March, 2017	**1,569,150**	**1,017.59**	**(2,622,398)**	**(1,374.46)**	**-**	**(326.17)**	**(1,053,248)**	**(683.03)**
Foreign Currency Reinstatement		5.02				(7.07)	-	(2.05)
Profit for the year	-		188,111	121.27	-	-	188,111	121.27
Balance as at 31st March, 2018	**1,569,150**	**1,022.62**	**(2,434,288)**	**(1,253.19)**	**-**	**(333.24)**	**(865,138)**	**(563.81)**

Notes to financial statements for the year ended March 31, 2018

'NOTE '1'

SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Preparation of Financial Statements:

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

These financial statements for the year ended 31st March, 2018 are the first financials with comparatives, prepared under Ind AS. For all previous periods including the year ended 31st March, 2017, the Company had prepared its financial statements in accordance with the accounting standards notified under Companies (Accounting Standard) Rule, 2006 (as amended) and other relevant provisions of the Act (hereinafter referred to as 'Previous GAAP') used for its statutory reporting requirement in India.

Refer Note 43 for the details of significant first-time adoption exemptions availed by the Company and an explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, performance and cash flows.

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

- Certain financial assets and liabilities are measured at Fair value

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

The financial statements are presented in US Dollar & Indian Rupee (INR).

2. Use of Estimates and judgments:

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

Critical accounting judgements and key source of estimation uncertainty

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

3. Property, plant and equipment (PPE)

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

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

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

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

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

4. Intangible assets

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

Notes to financial statements for the year ended March 31, 2018

5. Depreciation and Amortisation:

(a) Property plant and equipment (PPE)

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

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

(b) Intangible assets

The useful lives of intangible assets are assessed as either finite or indefinite. Finite-life intangible assets are amortised on a straight-line basis over the period of their expected useful lives.The amortisation period and the amortisation method for finite life intangible assets is reviewed at each financial year end and adjusted prospectively, if appropriate. For indefinite life intangible assets, the assessment of indefinite life is reviewed annually to determine whether it continues, if not, it is impaired or changed prospectively basis revised estimates.

6. Financial Instruments:

Financial assets - Initial recognition:

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

Subsequent measurement:

Financial assets are subsequently classified as measured at:

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

The above classification is being determined considering the:

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

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

(i) Measured at amortised cost:

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

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

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

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

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

Equity instruments:

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

Notes to financial statements for the year ended March 31, 2018

equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to Statement of Profit and Loss on disposal of the investments.

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

Impairment

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

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

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

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

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

Derecognition

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

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

Financial Liabilities

Initial Recognition and measurement

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

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

Subsequent measurement

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

Loans & Borrowings:

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

Financial Guarantee Contracts

Financial guarantee contracts issued by the Company are those contracts that requires a payment to be made or to reimburse the holder for a loss

it incurs because the specified debtors fails to make payment when due in accordance with the term of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee.

De-recognition

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

Derivative financial instruments

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

Offsetting of financial instruments

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

7. Fair Value Measurement

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

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

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

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

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

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

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

8. Cash and Cash Equivalents:

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

9. Foreign Currency Transactions:

All assets and liabilities, both monetary and non-monetary, are translated at the closing rate while the income and expenses are translated at the average rate for the year. The resulting exchange differences have been accumulated in the Foreign Currency Translation Reserve.

10. Revenue Recognition:

Revenue is measured at the value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates, discounts, value added taxes and amounts collected on behalf of third parties.

Notes to financial statements for the year ended March 31, 2018

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and specific criteria have been met for each of the Company's activities as described below.

Rendering of Services

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.

11. Employee Benefits:

a) Compensation and Short-term employee benefits :

All employee benefits which are payable within twelve months of rendering the service are classified as short term employee benefits. Compensation are recognized at actual amounts due in the period in which the employee renders the related service. Vacation pay is recognized when taken and only limited amounts may be carried forward from year to year.

Associated Short-term Benefits include the following:

i) Healthcare Insurance
ii) Disability Insurance
iii) Life Insurance

All Short-term Benefits Cost is shared between the Company and the Employee. The Company portion is recognized at actual amount in the period billed.

b) Other Short-term Benefits:

- Defined Contribution Plans:

Contributions are made annually to the Companies 401k Plan (Defined Contribution Plan) based on savings contributions made by employees. All Company contributions accrue to the benefit of and are 100% vested to employees when earned, based on their contribution and as defined by the US Safe Harbor contribution limitations. The Company contribution is recognized monthly on an accrual basis in the period that employee contributions are credited.

c) Long-term Post Retirement Benefits:

The Company does not sponsor a Defined Benefit or other Post Retirement Benefit Plan.

12. Taxes on Income:

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

13. Borrowing Cost:

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

Other borrowing costs are recognized as an expense in the period in which they are incurred.

14. Earnings Per Share:

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

Notes to financial statements for the year ended March 31, 2018

15. Leases:

Where the Company is Lessee

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

16. Provisions, Contingent Liabilities and Contingent Assets:

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

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

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

Contingent assets are neither recognized nor disclosed in financial statements.

Notes to financial statements for the year ended March 31, 2018

2 Property, Plant and Equipment

(Amount in US Dollars)

Particulars	Plant & equipment	Furniture & fixtures	Computers	Total
Gross Block				
Deemed Cost as at April 01, 2016 (Refer note (b) below)	979	8,512	15,656	25,147
Additions	-	-	13,081	13,081
Disposals	-	-	-	-
Balance as at March 31, 2017	**979**	**8,512**	**28,737**	**38,228**
Additions	-	3 ,048	23,603	26,651
Disposals	-	-	-	-
Balance as at March 31, 2018	**979**	**11,560**	**52,340**	**64,879**
Accumulated Depreciation				
Balance as at April 01, 2016	**-**	**-**	**-**	**-**
Depreciation charge for the year	979	5,626	12,895	19,500
Disposals	-	-	-	-
Balance as at March 31, 2017	**979**	**5,626**	**12,895**	**19,500**
Depreciation charge for the year	-	3,310	15,030	18,340
Disposals	-	-	-	-
Balance as at March 31, 2018	**979**	**8,936**	**27,925**	**37,840**
Net Block				
Balance as at April 01, 2016	**979**	**8,512**	**15,656**	**25,147**
Balance as at March 31, 2017	**-**	**2,886**	**15,842**	**18,728**
Balance as at March 31, 2018	**-**	**2,624**	**24,415**	**27,039**

(₹ in Lakhs)

Particulars	Plant & equipment	Furniture & fixtures	Computers	Total
Gross Block				
Deemed Cost as at April 01, 2016 (Refer note (b) below)	**0.65**	**5.64**	**10.38**	**16.67**
Additions	-	-	8.48	8.48
Disposals	(0.01)	0.00	(0.05)	(0.06)
Balance as at March 31, 2017	**0.66**	**5.64**	**18.91**	**25.21**
Additions	-	1.96	15.21	17.18
Disposals	-	(0.01)	(0.11)	(0.12)
Balance as at March 31, 2018	**0.66**	**7.61**	**34.24**	**42.51**
Accumulated Depreciation				
Balance as at April 01, 2016	**-**	**-**	**-**	**-**
Depreciation charge for the year	0.66	3.77	8.64	13.07
Disposals	-	-	-	-
Balance as at March 31, 2017	**0.66**	**3.77**	**8.64**	**13.07**
Depreciation charge for the year	-	2.13	9.69	11.82
Disposals	-	-	-	-
Balance as at March 31, 2018	**0.66**	**5.90**	**18.33**	**24.89**
Net Block				
Balance as at April 01, 2016	**0.65**	**5.64**	**10.38**	**16.67**
Balance as at March 31, 2017	**-**	**1.87**	**10.27**	**12.15**
Balance as at March 31, 2018	**-**	**1.71**	**15.91**	**17.62**

Notes:

-The Company has elected to continue with the net carrying value of all property, plant and equipment as at April 01, 2016 [Gross block: ₹ 13,708,206(US$ 206,760); Accumulated depreciation: ₹12,040,942 (US$ 181,613)] as per previous GAAP and used that as the deemed cost.

Notes to financial statements for the year ended March 31, 2018

3 Intangible Assets	Software	
	US Dollars	₹ (in Lakhs)
Year ended March 31, 2016		
Deemed cost as at April 01, 2016	-	-
Additions	-	-
Disposals	-	-
Balance as at March 31, 2017	**-**	**-**
Additions	990,566	645.55
Disposals	-	-
Balance as at March 31, 2018	**990,566**	**645.55**
Accumulated amortisation		
Amortisation for the year	-	-
Disposals	-	-
Accumulated amortisation as at March 31, 2017	**-**	**-**
Amortisation for the year	134,140	87.42
Disposals	-	-
Accumulated amortisation as at March 31, 2018	**134,140**	**87.42**
Net carrying amount as at April 01, 2016	**-**	**-**
Net carrying amount as at March 31, 2017	**-**	**-**
Net carrying amount as at March 31, 2018	**856,426**	**558.13**

4 Intangible Assets under Development	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)
Software	376,103	245.11	908,066	588.88	713,066	472.76
Total	**376,103**	**245.11**	**908,066**	**588.88**	**713,066.00**	**472.76**

5 Other non-current financial asset	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)
Unsecured, considered good						
Security Deposits	16,948	11.05	21,844	14.17	17,818	11.81
Total	**16,948**	**11.05**	**21,844**	**14.17**	**17,818**	**11.81**

6 Trade receivables	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)
Unsecured, Considered good	2,110,346	1,375.31	1,805,034	1,170.56	2,245,091	1,488.50
Unsecured, Considered doubtful	800	0.52	-	-	30,000	19.89
Less: Allowance for bad and doubtful debts	(800)	(0.52)	-	-	(30,000)	(19.89)
Total	**2,110,346**	**1,375.31**	**1,805,034**	**1,170.56**	**2,245,091**	**1,488.50**

Notes to financial statements for the year ended March 31, 2018

7 Cash and cash equivalents	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)
Balances with Banks						
In current accounts	759,239	494.80	999,192	647.98	369,398	244.91
	759,239	**494.80**	**999,192**	**647.98**	**369,398**	**244.91**

8 Other Financial Assets	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)
Unsecured, considered good						
Unbilled Revenues	97,360	63.45	92,469	59.96	352,198	233.51
Security Deposits	13,122	8.55	3,201	2.08	5,205	3.45
	110,482	**72.00**	**95,670**	**62.04**	**357,403**	**236.96**

9 Other current assets	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)
Unsecured, considered good						
Advances for supply of goods and rendering of services					-	
-Considered good	20,658	13.46	40,407	26.20	-	-
Prepaid expenses	68,320	44.52	57,235	37.12	87,961	58.32
Advances to employees	5,548	3.62	13,449	8.72	-	-
Total	**94,526**	**61.60**	**111,091**	**72.04**	**87,961**	**58.32**

10 Equity Share Capital	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)
Authorised						
10,000,000 (As at March 31, 2017- 10,000,000, As at April 01, 2016 -10,000,000) Common Stock of USD 0.01 each	100,000	65.17	100,000	64.85	100,000	66.30
15,000,000 (As at March 31, 2017- 15,000,000, As at April 01, 2016 -15,000,000) Common Stock of USD 1.00 each	2,000,000	1,303.40	2,000,000	1,297.00	2,000,000	1,326.00
	2,100,000	**1,368.57**	**2,100,000**	**1,361.85**	**2,100,000**	**1,392.30**
Issued, Subscribed and paid-up						
1,585,000 (As at March, 2017- 1,585,000, As at April 01, 2016- 15,85,000) Common Stock of USD 0.01 each	15,850	10.33	15,850	10.28	15,850	10.51
1,500,000 (As at March, 2017- 1,500,000, As at April 01, 2016- 15,00,000) Common Stock of USD 1.00 each	1,500,000	977.55	1,500,000	972.75	1,500,000	994.50
	1,515,850	**987.88**	**1,515,850**	**983.03**	**1,515,850**	**1,005.01**

Notes to financial statements for the year ended March 31, 2018

(a) Reconciliation of Share Capital (₹ In Lakhs)

	Face Value of USD 0.01 each		Face Value of USD 0.01 each	
As at March 31, 2018	**Opening**	**Closing**	**Opening**	**Closing**
No. of shares	1,585,000	1,585,000	1,500,000	1,500,000
Amount in USD	15,850	15,850	1,500,000	1,500,000
Amount in Rupees*	10.28	10.33	972.75	977.55

***change is on account of reinstatement**

(₹ In Lakhs)

	Face Value of USD 0.01 each		Face Value of USD 0.01 each	
As at March 31, 2017	**Opening**	**Closing**	**Opening**	**Closing**
No. of shares	1,585,000	1,585,000	1,500,000	1,500,000
Amount in USD	15,850	15,850	1,500,000	1,500,000
Amount in Rupees*	10.51	10.28	994.50	972.75

*change is on account of reinstatement

(₹ In Lakhs)

	Face Value of USD 0.01 each		Face Value of USD 0.01 each	
As at March 31, 2016	**Opening**	**Closing**	**Opening**	**Closing**
No. of shares	1,585,000	1,585,000	1,500,000	1,500,000
Amount in USD	15,850	15,850	1,500,000	1,500,000
Amount in Rupees*	9.83	10.51	930.00	994.50

*change is on account of reinstatement

(b) Terms/rights attached to equity shares

The company has two classes of common stock having par value of USD 0.01 per share and USD 1 per share. Both the class of shares have equal rights.

Each shareholder has right to vote in respect of such share on every resolution placed before the Company and his voting right on a poll shall be in proportion to his share of the paid up equity capital of the Company. In the event of liquidation the equity shareholders are entitled to receive the remaining assets of the Company after payments to secured and unsecured creditors, in proportion to their shareholding.

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

	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Nos.	**%**	**Nos.**	**%**	**Nos.**	**%**
CyberTech Systems and Software Limited (Holding Company)						
Face Value of USD 0.01 each	1,585,000	100%	1,585,000	100.00%	1,585,000	100.00%
Face Value of USD 1.00 each	1,500,000	100%	1,500,000	100.00%	1,500,000	100.00%

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

Notes to financial statements for the year ended March 31, 2018

11 Other Equity

Particulars	Securities Premium Reserve		Retained Earnings		Foreign Currency Translation Reserve		Total	
	US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)
Balance as at 1st April, 2016	**1,569,150**	**1,040.35**	**(2,746,375)**	**(1,457.53)**	**-**	**(363.31)**	**(1,177,225)**	**(780.50)**
Profit for the year	-	-	123,977	83.07	-	-	123,977	83.07
Foreign Currency Reinstatement	-	(22.75)				37.15	-	14.40
Balance as at 31st March, 2017	**1,569,150**	**1,017.59**	**(2,622,398)**	**(1,374.46)**	**-**	**(326.17)**	**(1,053,248)**	**(683.03)**
Foreign Currency Reinstatement		5.02				(7.07)	-	(2.05)
Profit for the year	-		188,111	121.27	-	-	188,111	121.27
Balance as at 31st March, 2018	**1,569,150**	**1,022.62**	**(2,434,288)**	**(1,253.19)**	**-**	**(333.24)**	**(865,138)**	**(563.81)**

12 Trade payables	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)
Trade payables						
- Due to Micro, Small and Medium Enterprise	-	-	-	-	-	-
- Due to others	3,553,689	2,315.94	3,360,985	2,179.61	3,359,421	2,227.30
Total	**3,553,689**	**2,315.94**	**3,360,985**	**2,179.61**	**3,359,421**	**2,227.30**

13 Other current liabilities	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)
Advance from Customers	146,708	95.61	136,038	88.22	117,838	78.12
Total	**146,708**	**95.61**	**136,038**	**88.22**	**117,838**	**78.12**

14 Revenue from operations	For the Year ended March 31, 2018		For the Year ended March 31, 2017	
	US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)
Sale of Services				
Information Technology Services	11,566,078	7,456.53	10,556,997	7,073.92
Total	**11,566,078**	**7,456.53**	**10,556,997**	**7,073.92**

15 Other income	For the Year ended March 31, 2018		For the Year ended March 31, 2017	
	US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)
Interest income on:				
Deposit with banks	1,043	0.67	978	0.66
Sundry credit balances written back (Net)	1,140	0.74	88,261	59.14
Total	**2,183**	**1.41**	**89,239**	**59.80**

Notes to financial statements for the year ended March 31, 2018

16 Employee benefits expense	For the Year ended March 31, 2018		For the Year ended March 31, 2017	
	US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)
Salaries and wages	3,163,866	2,039.72	2,933,725	1,965.80
Contribution to other funds	163,736	105.56	130,145	87.21
Staff welfare expenses	188,127	121.28	200,169	134.12
Total	**3,515,729**	**2,266.56**	**3,264,039**	**2,187.13**

17 Depreciation and amortization expense	For the Year ended March 31, 2018		For the Year ended March 31, 2017	
	US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)
Depreciation on Property, Plant and Equipment	18,339	10.88	19,500	13.07
Amortization on Intangible assets	134,140	87.42	-	-
Total	**152,479**	**98.30**	**19,500**	**13.07**

18 Other expenses	For the Year ended March 31, 2018		For the Year ended March 31, 2017	
	US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)
Rent	146,156	94.23	144,930	97.11
Repairs & Maintenance				
Plant and equipment	-	-	7,008	4.70
Others	11,829	7.63	-	-
Insurance	52,902	34.11	45,987	30.81
Rates and taxes	11,396	7.35	10,955	7.34
Travelling and conveyance	242,710	156.47	313,414	210.01
Communication	60,736	39.16	68,163	45.67
Electricity expenses	9,311	6.00	8,105	5.43
Professional fees	452,153	291.50	317,126	212.50
Provision for Bad and Doubtful Debts and advances	800	0.52	-	-
Auditors' Remuneration:	17,000	10.96	19,550	13.10
Miscellaneous expenses	179,046	115.41	128,150	85.87
Total	**1,184,039**	**763.34**	**1,063,388**	**712.54**

19	EARNINGS PER SHARE (EPS)	As at March 31, 2018		As at March 31, 2017	
		US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)
	Profit after tax(PAT) available for Equity Shareholders	188,111	121.27	123,977	83.07
	Weighted Average Number of Equity Shares outstanding for computing Basic EPS	1,515,850	1,515,850	1,515,850	1,515,850
	Nominal value of Equity Shares (In Rs)	1.00	65.17	1.00	64.85
	Basic and Diluted Earnings Per Share	**0.12**	**8.00**	**0.08**	**5.48**

Notes to financial statements for the year ended March 31, 2018

20 RATES USED FOR CONVERSION

(Amount in ₹)

Particulars	Unit of Currency	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Balance Sheet	USD	65.17	64.85	66.30
Statement of Profit and Loss	USD	64.47	67.00	65.66

21 DISCLOSURE ON RELATED PARTY TRANSACTIONS

A) Names of related parties and description of relationship:

a) Group Companies/Holding Subsidiaries Joint Venture and Enterprises where KMP's / Relative of KMP's have significant influence with whom transactions have been entered during the year in the ordinary course of the business: a) Group Companies/Holding Subsidiaries Joint Venture and Enterprises where KMP's / Relative of KMP's have significant influence with whom transactions have been entered during the year in the ordinary course of the business:

CyberTech Systems and Software Limited- Holding Company

b) Key Management Personnel (KMP)
Mr. Vish Tadimety
Mr. Steven Jeske

B) Related party transactions with Group Companies/Joint Venture/KMP's/ Relative of KMP's/Enterprises where KMP and Relatives of KMP have significant influence during the year:

Particulars	As at March 31, 2018		As at March 31, 2017	
	US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)
Purchase of Services				
CyberTech Systems and Software Limited	5,984,160	3,858.24	5,852,080	3,921.30
Expenses/Reimbursement of Expenses				
CyberTech Systems and Software Limited	53,317	34.37	27,613.00	18.50
Remuneration paid to				
Mr. Vish Tadimety	285,000	183.74	285,000	190.97
Mr. Steven Jeske	230,000	148.28	230,000	154.12

C) Outstanding Balances

Particulars	As at March 31, 2018		As at March 31, 2017	
Payables	US Dollars	₹(In Lakhs)	US Dollars	₹(In Lakhs)
Purchase of Services				
CyberTech Systems and Software Limited	3,049,118	1,987.11	2 ,900,026	1,880.67

Notes:

(i) All related party transactions entered during the year were in ordinary course of the business and are on arm's length basis.
(ii) No amounts in respect of related parties have been written off / written back during the year, nor has any provision been made for doubtful debts / receivables during the year.
(iii) Related party relationships have been identified by the management and relied upon by the Auditors.

22 Leases
Operating Lease:
The Company has taken commercial premises on lease basis, the agreements for which are mutually renewable /cancellable. The rental expenses in respect of operating lease are charged as rent under Note No. 18 under head 'Rent'.

23 Financial Risk Management
Financial risk management objectives and policies:
The Company's business activities exposed it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company's Management has

Notes to financial statements for the year ended March 31, 2018

the overall responsibility for establishing and governing the Company's risk management framework. Financial risk management objectives and policies:

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates,equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits , foreign currency receivables, payables and loans and borrowings.

Risk	Exposure arising from	Measurement	Management
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities; working capital management
Credit risk	Cash and cash equivalents, trade receivables, Investments, loans and other financial assets measured at fair /amortised cost.	Ageing analysis/ Credit ratings	Diversification in various class of assets, credit limits and letters of credit
Market Risk - Foreign exchange	Financial assets and liabilities	Cash flow forecasting Sensitivity analysis	Hedging, Forex planning
Market Risk - Interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Interest rate swaps

(A) Market Risk- Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. The Company is having short term borrowings from banks.

(i) Exposure to interest rate risk - Financial liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Borrowings bearing variable rate of interest - Cash credits - short term in nature	-	-	-

Hence, the Company is not significantly exposed to the interest rate risk as working capital facility are, as per contractual terms, primarily of short term in nature.

(B) Market Risk- Foreign currency risk.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company has foreign currency trade receivables and is therefore exposed to foreign exchange risk. The exchange rates have been volatile in the recent years and may continue to be volatile in the future. Hence the operating results and financials of the Company may be impacted due to volatility of the rupee against foreign currencies.

Derivative Contracts and unhedged foreign currency exposure

(Derivative contratcs outstanding as at March 31, 2018

(₹ in Lakhs)

	As at March 31, 2018		As at March 31, 2017	
Forward Contract to sell USD	In Foreign Currency	Amount	In Foreign Currency	Amount
	-	-	-	-

Unhedged foreign currency exposure as at March 31, 2018

(₹ in Lakhs)

	As at March 31, 2018		As at March 31, 2017	
Trade receivables	In Foreign Currency	Amount	In Foreign Currency	Amount
	-	-	-	-

Notes to financial statements for the year ended March 31, 2018

A change of 1% in Foreign currency would have following Impact on profit before tax

(₹ in Lakhs)

	As at March 31, 2018		As at March 31, 2017	
Increase / (decrease) in profit or loss	1% Increase	1% decrease	1% Increase	1% decrease
	-	-	-	-

(C) Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. The Company is exposed to credit risk from its operating activities (trade receivables) and from its financing activities including investments in mutual funds, deposits with banks and financial institutions and debentures and bonds, foreign exchange transactions and financial instruments.

To manage the credit risk from trade receivables, the Company periodically assess financial reliability of customes, taking into account the financial condtion, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly. The Company considers the probablity of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throught each reporting period.

Credit risk from investments is managed by the Company's treasury in accodance with the board approved poliy and limits.

To assess whether there is a significant increase in credit risk the Company compares the risk of default occuring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

i) Actual or expected significant adverse changes in business,

ii) Actual or expected significant changes in the opertaing results of the counterparty,

iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,

iv) Significant increase in credit risk on other financial instruments of the same counterparty,

v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees

Ageing of Account receivables

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
0-3 months	1,310.58	1,134.69	1,303.31
3-6 months	64.74	35.87	65.59
6 months to 12 months	-	-	139.49
beyond 12 months	0.51	-	-
Total	**1,375.83**	**1,170.56**	**1508.39**

Movement in provisons of doubtful debts

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Opening provision	0.00	19.89	0.74
Add:- Additional provision made	0.52	-	19.15
Less:- Provision write off/ reversed	-	(19.89)	-
Less:- Provision utilised against bad debts	-	-	-
Closing provisions	**0.52**	**0,00**	**19.89**

(D) Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time, or at a reasonable price. The Company's treasury deparment is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related such risk are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows. The Company's objective is to maintain at all times, optimum levels of liquidity to meet its obligations.

Notes to financial statements for the year ended March 31, 2018

Financing arrangements

The company had access to following undrawn Borrowing facilities at end of reporting period:

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Variable Borrowing -Expires within 1 year	-	-	-

Maturity patterns of borrowings Maturity patterns of borrowings

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
0-1 years	-	-	-
more than 1 year	-	-	-
Total	-	-	-

Maturity patterns of other Financial Liabilities
Trade Payable-

(In US Dollar)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
0-1 years	3,553,688	3,360,985	3,359,421
more than 1 year	-	-	-
Total	**3,553,688**	**3,360,985**	**3,359,421**

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
0-1 years	2,315.94	2,179.61	2,227.30
more than 1 year	-	-	-
Total	**2,315.94**	**2,179.61**	**2,227.30**

24 Financial instruments

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions are used to estimate the fair values:

1.Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.

2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Notes to financial statements for the year ended March 31, 2018

The carrying amounts and fair values of financial instruments by catergory are as follows:

a. Financial assets

₹ in lakhs

	Instruments carried at fair value				Instruments carried at amortized cost		
	FVOCI (Equity instruments)	FVOCI (Other instruments)	FVTPL	Total fair value (A)	Carrying amount (B)	Fair value	Total carrying amount (A+B)
As at 1st April, 2016							
Trade receivables	-	-	-	-	1,488.50	1,488.50	1,488.50
Cash and bank balances	-	-	-	-	244.91	244.91	244.91
Other financial assets	-	-	-	-	236.96	236.96	236.96
Total	**-**	**-**	**-**	**-**	**1,970.37**	**1,970.37**	**1,970.37**
As at 31st March, 2017							
Trade receivables	-	-		-	1,170.56	1,170.56	1,170.56
Cash and cash equivalents	-	-	-	-	647.98	647.98	647.98
Other financial assets	-	-	-	-	62.04	62.04	62.04
Total	**-**	**-**	**-**	**-**	**1,880.58**	**1,880.58**	**1,880.58**
As at 31st March, 2018							
Trade receivables	-	-		-	1,375.31	1,375.31	1,375.31
Cash and cash equivalents	-	-	-	-	494.80	494.80	494.80
Other financial assets	-	-	-	-	72.00	72.00	72.00
Total	**-**	**-**	**-**	**-**	**1,942.11**	**1,942.11**	**1,942.11**

b. Financial liabilities

(₹ in Lakhs)

	Instruments carried at fair value		Instruments carried at amortized cost		
	FVTPL	Total carrying amount and fair value (A)	Carrying amount (B)	Fair value	Total carrying amount (A+B)
As at 1st April, 2016					
Trade payables	-	-	78.13	78.13	78.13
Total	**-**	**-**	**78.13**	**78.13**	**78.13**
As at 31st March, 2017					
Trade payables	-	-	88.22	88.22	88.22
Total	**-**	**-**	**88.22**	**88.22**	**88.22**
As at 31st March, 2018					
Trade payables	-	-	95.61	95.61	95.61
Total	**-**	**-**	**9 5.61**	**95.61**	**95.61**

The Management assessed that fair value of cash and cash equivalents, trade receivables, investments in term deposits, loans, other financial assets (except derivative financial instruments), trade payables, and other financial liabilities (except derivative financial instruments) is considered to be equal to the carrying amount of these items due to their short-term nature.

c. Fair value estimation

For financial instruments measured at fair value in the Balance Sheet, a three level fair value hierarchy is used that reflects the significance of inputs used in the measurements. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as follows:

- Level 1: quoted prices for identical instruments
- Level 2: directly or indirectly observable market inputs, other than Level 1 inputs; and

Notes to financial statements for the year ended March 31, 2018

• Level 3: inputs which are not based on observable market data.

For assets and liabilities which are carried at fair value, the classification of fair value calculations by category is summarised below:

(₹ in Lakhs)

	Level 1	Level 2	Level 3	Total
As at April 01, 2016				
Assets at fair value				
Investments in Mutual Funds	-	-	-	-
As at March 31, 2017				
Assets at fair value				
Investments in Mutual Funds	-	-	-	-
As at March 31, 2018				
Assets at fair value				
Investments in Mutual Funds	-	-	-	-

Note - Mutual funds are valued unsing the Closing Net Asset Value (NAV)

25 Capital risk management

(a) Risk management

The Company's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other
- maintain an optimal capital structure to reduce the cost of capital

The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares.

26 First-time adoption of Ind AS

The Company has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from 1st April, 2017, with a transition date of 1st April, 2016. The adoption of Ind AS has been carried out in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards. Ind AS 101 requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS financial statements for the year ended 31st March, 2018, be applied retrospectively and consistently for all financial years presented. However, in preparing these Ind AS financial statements, the Company has availed of certain exemptions and exceptions in accordance with Ind AS 101, as explained below. The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under Ind AS and Previous GAAP have been recognised directly in equity (retained earnings or another appropriate category of equity).

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

A. Optional Exemptions

(a) Deemed Cost

Ind AS 101 permits to measure all its property, plant & equipment and Intangible assets at their previous GAAP carrying value i.e. being deemed cost represented by Gross Block reduced by accumulated depreciation on April 01, 2016.

(b) Investment in subsidiaries

The Company has opted para D14 and D15 and accordingly considered the Previous GAAP carrying amount of Investments as deemed cost as at the transition date.

(c) instruments

Paragraph D19B of Ind AS 101 gives an option to an entity to designate investments in equity instruments at FVOCI on the basis of the facts and circumstances at the date of transition to Ind AS.The company has opted to apply this exemption for its investment in equity Investments.

B. Mandatory Exceptions

(a) Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies).

(b) Ind AS estimates as at 1 April 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

Notes to financial statements for the year ended March 31,2018

- Investment in equity instruments carried at FVTPL or FVOCI; and
- Impairment of financial assets based on expected credit loss model.

(c) Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

C. Transition to Ind AS - Reconciliations

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from previous GAAP to Ind AS in accordance with Ind AS 101:

I. Reconciliation of Balance sheet as at April 1, 2016 and March 31, 2017

II. Reconciliation of Statement of total Comprehensive

III. Reconciliation of Equity as at April 1, 2016 and March 31, 2017

IV. Impact on cash flow statement for the period ended March 31, 2017

The presentation requirements under Previous GAAP differs from Ind AS and hence Previous GAAP information has been regrouped for ease of reconciliation with Ind AS. The Regrouped Previous GAAP information is derived from the Financial Statements of the Company prepared in accordance with Previous GAAP.

Notes to Financial Statements for the Period ended March 31, 2018

I. Reconciliation of Balance sheet as at April 1, 2016 and March 31, 2017

(₹ in Lakhs)

			Ind AS adjustments	
I	**ASSETS**	**As At April 1, 2016 Previous GAAP**		**As At April 1, 2016 IND AS**
1	**(1) NON - CURRENT ASSETS**			
	Property, Plant and Equipment	16.67	-	16.67
	Intangible assets	-	-	-
	Intangible assets under development	472.76	-	472.76
	Financial Assets			
	Other financial assets	11.81	-	11.81
	Total Non-Current Assets	**501.24**	**-**	**501.24**
2	**Current assets**			
	Financial Assets			
	Trade receivables	1,488.50	-	1,488.50
	Cash and cash equivalents	244.91	-	244.91
	Other current Financial Asset	236.96	-	236.96
	Other current assets	58.32	-	58.32
	Total Current Assets	**2,028.69**	**-**	**2,028.69**
	Total Assets	**2,529.93**	**-**	**2,529.93**
II	**EQUITY AND LIABILITIES**			
1	**Equity**			
	Equity share capital	1,005.01	-	1,005.01
	Other equity	(780.50)	-	(780.50)
	Total Equity	**224.51**	**-**	**224.51**
	Liabilities			
2	**Current liabilities**			
	Financial Liabilities			-
	Trade payables	2,227.30	-	2,227.30
	Other current liabilities	78.12	-	78.12
	Total Current Liabilities	**2,305.42**	**-**	**2,305.42**
	Total equity and liabilities	**2,529.93**	**-**	**2,529.93**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

Notes to Financial Statements for the Period ended March 31, 2018

(₹ in Lakhs)

		As At March 31, 2017 Previous GAAP	Ind AS adjustments	As At March 31, 2017 IND AS
I	**ASSETS**			
1	**(1) NON - CURRENT ASSETS**			
	Property, plant and equipment	12.15	-	12.15
	Intangible assets	-	-	-
	Intangible assets under development	588.88	-	588.88
	Financial Assets			
	Other financial assets	14.17	-	14.17
	Total Non-Current Assets	**615.20**	**-**	**615.20**
2	**Current assets**			
	Financial Assets			
	Trade receivables	1,170.56	-	1,170.56
	Cash and cash equivalents	647.98	-	647.98
	Other current Financial Asset	62.04	-	62.04
	Other current assets	72.05	-	72.05
	Total Current Assets	**1,952.63**	**-**	**1,952.63**
	Total Assets	**2,567.83**	**-**	**2,567.83**
II	**EQUITY AND LIABILITIES**			
1	**Equity**			
	Equity share capital	983.03	-	983.03
	Other equity	(683.03)	-	(683.03)
	Total Equity	**300.00**	**-**	**300.00**
	Liabilities			
2	**Current liabilities**			
	Financial Liabilities			-
	Trade payables	2,179.61	-	2,179.61
	Other current liabilities	88.22	-	88.22
	Total Current Liabilities	**2,267.83**	**-**	**2,267.83**
	Total equity and liabilities	**2,267.83**	**-**	**2,267.83**

Notes to Financial Statements for the Period ended 31st March 2018

II Reconciliation of Statement of Profit and Loss for the year ended March 31, 2017

(₹ in Lakhs)

	For the year ended March 31, 2017 IGAAP	Ind AS adjustments	For the year ended March 31, 2017 IND AS
INCOME			
Revenue from Operations	7,073.92	-	7,073.92
Other Income	59.80	-	59.80
Total Income (I + II)	**7,133.72**	**-**	**7,133.72**
Expenses			
Cost of hardware/software package for service delivery and outsourc	4,137.91	-	4,137.91
Employee benefits expense	2,187.13	-	2,187.13
Depreciation and amortization expense	13.07	-	13.07
Other expenses	712.54	-	712.54
Total expenses (IV)	**7,050.65**	**-**	**7,050.65**
Profit before tax	**83.07**	**-**	**83.07**
Tax expense			**-**
Current tax	-	-	-
Deferred tax (credit)	-	-	-
Taxation Adjustments for earlier years	-	-	-
Profit for the year (V - VI)	**83.07**	**-**	**83.07**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurements of net defined benefit plans	-	-	-
Income tax relating to items that will not be reclassified to profit or loss			
	-	-	-
Other Comprehensive Income for the year (VIII)	-	-	-
Total Comprehensive Income for the year (VII - VIII)	**83.07**	**-**	**83.07**

III Reconciliation of Equity	**As at March 31, 2017**	**As at April 01, 2016**
Total equity under local GAAP	**300.00**	**224.51**
Adjustments impact: Gain/ (Loss)		
Reversal of proposed ordinary dividends payable including dividend distribution tax	-	-
Fair Valuation of Investments and Financial assets through Profit & Loss	-	-
Fair Valuation of Financial Liabilities including derivative instruments	-	-
Expected credit loss	-	-
Deferred Tax impact on above adjustments	-	-
Total IND AS adjustment	**-**	**-**
Total equity under Ind AS	**300.00**	**224.51**

IV Impact on cash flow statement for the period ended March 31, 2017

There were no material differences between the Statement of Cash Flows presented under Ind AS and the Previous GAAP.

Notes to Financial Statements for the Period ended 31st March 2018

Notes to first time adoption

Note 1: Proposed Dividend

Under the previous GAAP, dividend proposed by the board of directors after the balance sheet date but before the approval of the financial statements were considered as subsequent events. Accordingly, provision for proposed dividend including dividend distribution tax was recognised as liability. Under Ind AS, such dividends are recognised when the same is approved by the shareholders in the general meeting.

Note 2: Remeasurement of post employment benefit obligations

Under the previous GAAP, cost relating to post employment benefit obligations including actuarial gain/losses were recognised in Profit & Loss. Under Ind AS, actuarial gain/losses on the net defined benefit liability are recognised in other comprehensive income instead of profit & loss.

Note 3: Fair Valuation of Investments

Under previous GAAP, investment in equity instruments were classified into long term and current investments. Long term investments were carried at cost less provision other than temporary in nature. Current investments were carried at lower of cost or fair value. Under Ind AS, these investments are require to be measured at fair value either through OCI (FVTOCI) of Through Profit & loss (FVTPL). The company has opted to fair value these investments through Profit & loss.

Note 4: Cash discount

Under previous GAAP, the Company accounted for revenue net of trade discounts, sales taxes and excise duties. Under Ind AS, the Company will recognise revenue at fair value of consideration received or receivable. Any sales incentive, discounts or rebates in any form including cash discounts given to customer will be considered as selling price reductions and accounted as reduction from revenue.

Note 5: Deferred taxes

Under previous GAAP, deferred taxes were recognised based on Profit & loss approach i.e. tax impact on difference between the accounting income and taxable income. Under Ind AS, deferred tax is recognised by following balance sheet approach i.e. tax impact on temporary difference between the carrying value of asset and liabilities in the books and their respective tax base.

27 The Company is yet to receive balance confirmations in respect of certain financial assets and financial liabilities. The Management does not expect any material difference affecting the current year's financial statements due to the same.

28 Recent accounting pronouncements

IND AS 115 - Revenue from Contracts with Customers

MCA has notified the Companies (Indian Accounting Standards) Amended Rules, 2018 ("amended rules"). As per the amended rules, Ind AS 115 "Revenue from contracts with customers" supersedes Ind AS 11, "Construction contracts" and Ind AS 18, "Revenue" and is applicable for all accounting periods commencing on or after 1 April 2018. Ind AS 115 introduces a new framework of five step model for the analysis of revenue transactions. The model specifies that revenue should be recognised when (or as) an entity transfer control of goods or services to a customer at the amount to which the entity expects to be entitled. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The new revenue standard is applicable to the Company from 1 April 2018.

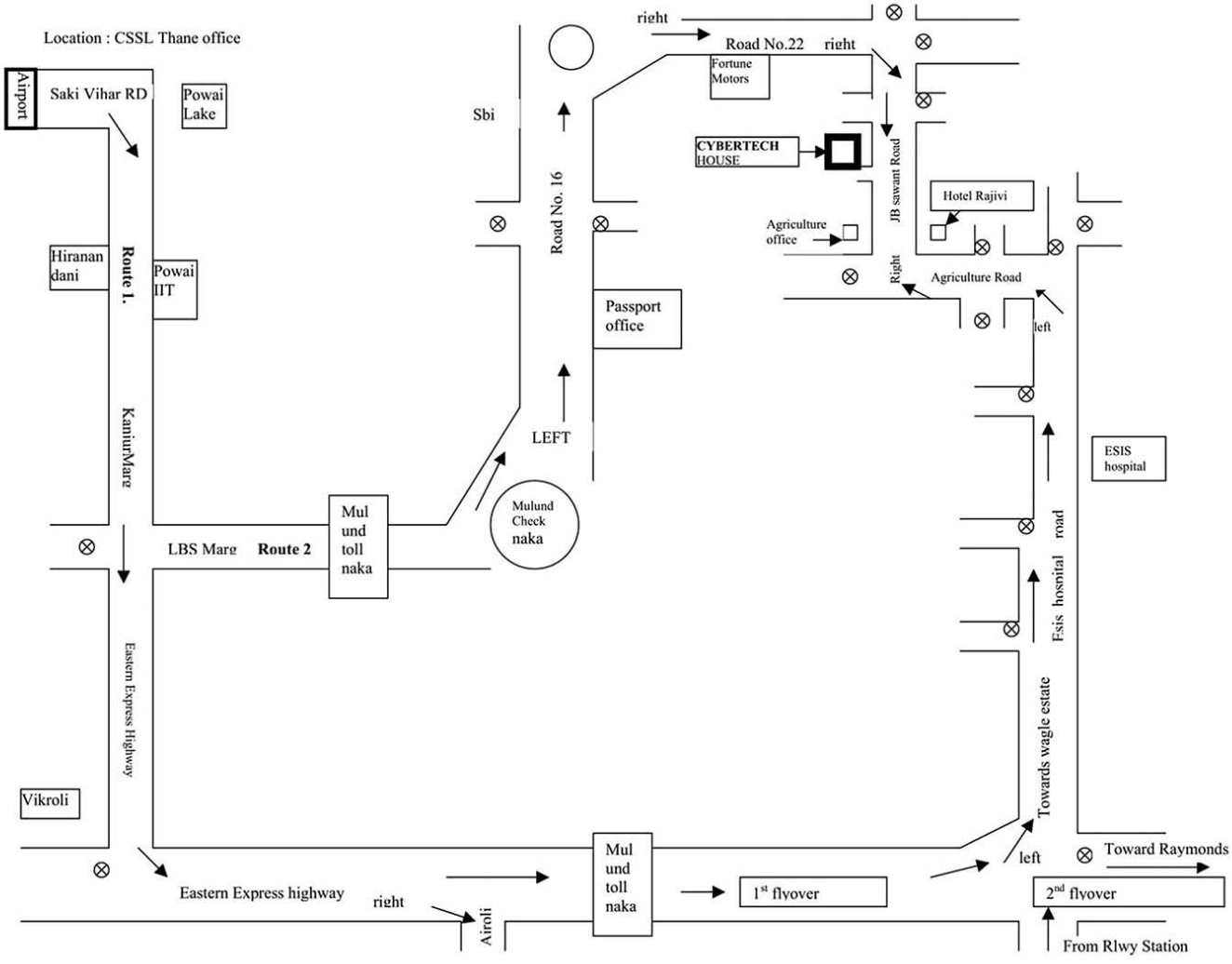
Ind AS 21 - Foreign currency transactions and advance consideration:

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 effective from April 1, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.

29 The financial statements were approved for issue by the Board of Directors on May 08, 2018.

30 The previous year's figures have been re-grouped / re-classified wherever required to confirm to current period's classification.

Route Map to the venue of AGM



KIND ATTENTION

Dear Investors,

We wish to bring to your kind notice that Securities Exchange Board of India (SEBI) has vide gazette notification dated June 8, 2018, has mandated that transfer of securities would be carried out in dematerialized form only, due to an amendment in Regulation 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Regulations which will come into effect from December 5, 2018. According to the aforesaid notification, request for effecting transfer of securities shall not be processed unless the securities are held in the Dematerialized form with the depository with effect from December 5, 2018.

Hence, shareholders are hereby requested to convert their shares on or before December 04, 2018 from physical mode to Dematerialized mode with your respective Depository Participants at any time after updating your KYC information with Registrar and Transfer Agent (RTA). Kindly submit the details and documents to the address mentioned below within 21 days of receipt of this communications from RTA. As per RTA records, folio needs to be updated with the PAN and Complete Bank details, so that the investments held by you are in compliance with the aforementioned circular.

Further, pursuant to aforesaid SEBI notification, **M/s. Link Intime India Pvt. Ltd., our RTA** on behalf of the Company will not accept any request for transfer of shares in *physical form* with effect from December 5, 2018. This restriction shall not be applicable to the request received for transmission or transposition of physical shares, unless SEBI notifies anything in contrary thereto.

The SEBI vide Circular dated 20/04/2018 has mandated to capture Beneficiary Bank name and Beneficiary account number on the face of the Warrant / DD issued for Dividend. The members holding shares in electronic form are hereby requested to update their communication address bank details and their functional E-mail ID to their respective Depository Participant/ our RTA (mentioned below) and not to the Company. The Members are encouraged to utilize the Electronic Clearing System (ECS) for receiving dividends.

Registrar and Share Transfer Agents (RTA):

Link Intime India Pvt. Ltd
Unit: CyberTech Systems and Software Ltd.
C 101, 247 Park, L.B.S.Marg, Vikhroli (West)
Mumbai - 400083.
Email ID - rnt.helpdesk@linkintime.co.in
Toll-free number: 1800 1020 878 | Fax: 022 - 4918 6060

Thanking you,
For CyberTech Systems & Software Ltd.

Ms. Sarita Leelaramani
Company Secretary & Compliance Officer
ACS35587

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CYBERTECH SYSTEMS AND SOFTWARE LIMITED

Registered Office: CyberTech House', Plot No. B-63/64/65, MIDC, Wagle Estate, J. B. Sawant Marg, Thane-400 604
Telephone No: 022-25834643, **E-mail:** cssl.investors@cybertech.com
Website: www.cybertech.com **(CIN) :** L72100MH1995PLC084788

PROXY FORM
(Form No. MGT-11)

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name :	E-mail Id:
Address:	
Signature , or failing him	

I/We, being the member(s) holding _____no. of shares of the above named company hereby appoint:

Name :	E-mail Id:
Address:	
Signature , or failing him	

Name :	E-mail Id:
Address:	
Signature , or failing him	

Name :	E-mail Id:
Address:	
Signature , or failing him	

as my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 23rd Annual General Meeting of the company, to be held on Friday, September 28, 2018 at 04.00 p.m. at CyberTech House, B-63-64-65-MIDC Wagle Estate, J.B. Sawant, Marg, Thane - 400 604 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Resolutions	No. of Shares	For	Against
ORDINARY BUSINESS				
1	To consider and adopt the Audited (Standalone and Consolidated) Financial Statements for the year ended March 31, 2018 together with the reports of the Board of Directors and Auditors thereon.			
2	To declare a dividend of Re.1/- per Equity Share of face value of ₹10/- each for the financial year 2017-18.			
3	To appoint Director in place of Mr. Steven Jeske (DIN: 01964333), who retires by rotation and being eligible, offers himself for re-appointment.			
4	To Ratify the appointment of Statutory Auditors of the Company for financial year 2018-19 and to fix their remuneration.			
SPECIAL BUSINESS				
5	To Appoint Ms. Angela C. Wilcox (DIN: 08068715) as an Independent Director of the Company.			
6	To Re-appoint Mr. Ramasubramanian S. (DIN: 05350841) as an Executive Director of the Company.			
7	To increase the aggregate limit of investment by Foreign Portfolio Investors/OCI in the Share Capital of the Company.			
8	To Increase the aggregate limit of investment by Non Resident Indians in Share Capital of the Company.			

Signature of Shareholder _____
(Please affix revenue stamp & sign across)

Affix Revenue Stamp

Signature of Proxy _____

Date: September _____, 2018

Note:

1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the time of commencement of the Meeting.
2) The proxy need not be a member of the company.
3) Revenue Stamp has to be mandatorily affixed, failing which form shall be invalid.
4) Please refer the notice for further details.

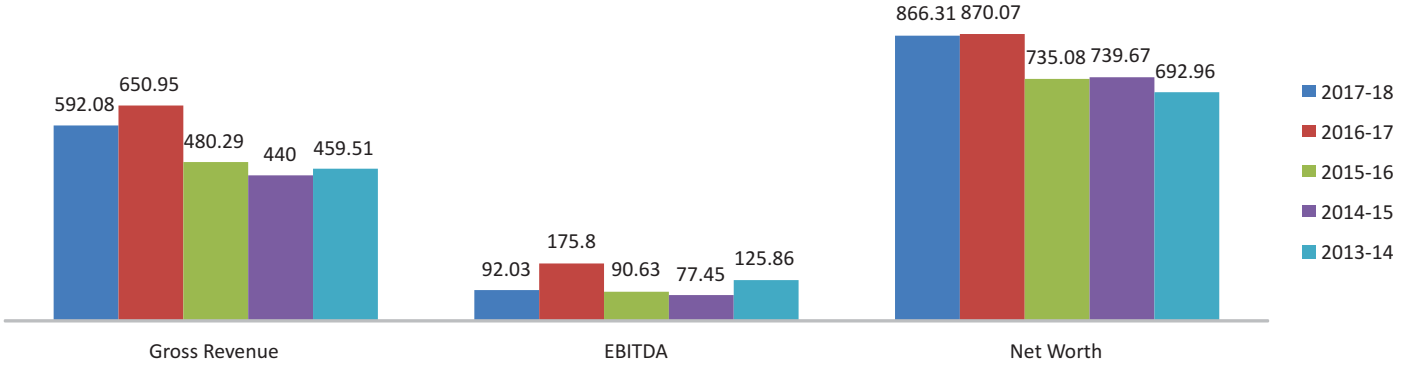
FINANCIAL HIGHLIGHTS

STANDALONE **₹ in Million**

Financial Year	2017-18	2016-17	2015-16	2014-15	2013-14
Gross Revenue	592.08	650.95	480.29	440	459.51
EBIDTA	92.03	175.30	90.63	77.45	125.86
Net Worth	866.31	870.07	735.08	739.67	692.96
PAT	19.60	88.04	26.74	81.71	86.88
Dividend Rate	10%*	10%	10%	10%	10%

* Subject to Shareholders' approval at the 23rd AGM

Standalone Performance

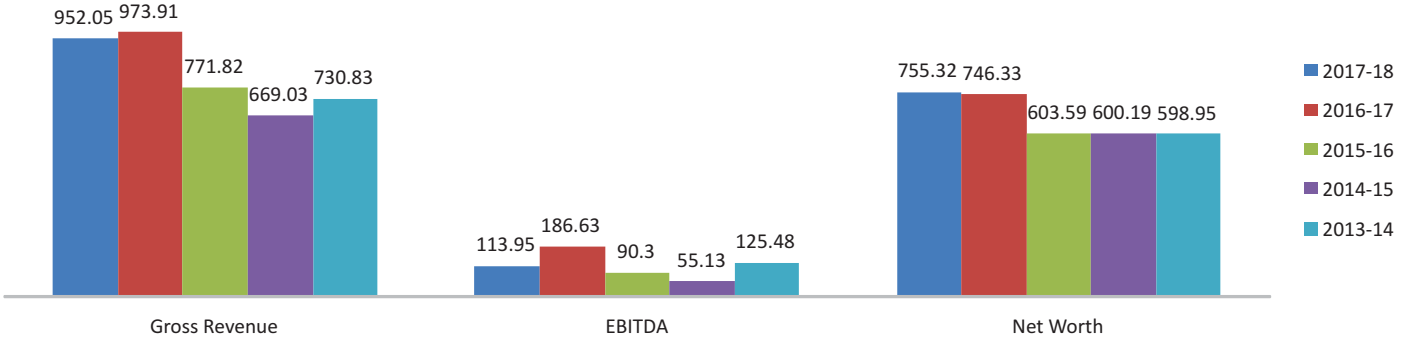


CONSOLIDATED **₹ in Million**

Financial Year	2017-18	2016-17	2015-16	2014-15	2013-14
Gross Revenue	952.05	973.92	771.82	669.03	730.83
EBIDTA	113.96	186.63	90.3	55.13	125.48
Net Worth	755.32	746.33	603.59	600.19	598.95
PAT	31.69	98.07	23.30	51.51	76.34
Dividend Rate	10%*	10%	10%	10%	10%

* Subject to Shareholders' approval at the 23rd AGM

Consolidated Performance



BOOK-POST

CyberTech
Systems and Software Limited

CIN : L72100MH1995PLC084788

'CyberTech House'

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

C- 022 - 2583 4643 | F- 022 2583 2574

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