



**CYBERMATE  
INFOTEK LIMITED**  
We win, when you win!

# 25

## YEARS OF PERFORMANCE

REBUILD • REFORM • REINVENT

25<sup>TH</sup> ANNUAL REPORT 2018-2019



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01



02



05



06

## BOARD OF DIRECTORS

01

### **Mr. P.C. Pantulu**

(DIN 01583136)

Promoter, Chairman, Managing Director, CEO

Committee Membership:

- Stakeholders Relationship Committee

02

### **Mr. K.S. Shiva Kumar**

(DIN 02103299)

Promoter, Director - Operations, COO

Committee Membership:

- None

05

### **Mr. V. S. Roop Kumar**

(DIN 05317482)

Independent Director

Committee Membership:

- Audit Committee (Chairperson)

- Nomination and Remuneration Committee

06

### **Mr. B. Srinivasa Reddy** (DIN 01384074)

Independent Director

Committee Membership:

- Stakeholders Relationship Committee (Chairperson)

- Nomination and Remuneration Committee





03



04



07



08

03

**Mr. K. Koteswara Rao**

(DIN 06401491)

Promoter, Non-Executive Director

Committee Membership:

- Stakeholders Relationship Committee

04

**Mr. P. Chandra Sekhar**

(DIN 01647212)

Promoter, Director - Finance, CFO

Committee Membership:

- Audit Committee

07

**Ms. C. Kamakshi Bharathi** (DIN 07144611)

Independent Director

Committee Membership:

- Nomination & Remuneration Committee  
(Chairperson)

- Audit Committee

08

**Mr. Suraj Bharadwaj**

(DIN 08351558)

Additional Director

Committee Membership:

- Audit Committee

- Stakeholders Relationship Committee

# The smartest way to secure your health record!

Never let a missing health record become the last record of you.  
Subscribe to cyber1health to secure your health record!

## FEATURES



**Secure:** Store all your reports and prescriptions in a cloud database!



**Family Health Records:** Maintain health records of your family members online.



**Cloud Service:** Access your reports and records anytime, anywhere!



**Share:** Share reports with your doctors by email or through the app - all it takes is a few seconds!



**24x7x365 Support:** Easily access your electronic health records any time!



Cyber1health is the smartest solution that one can use to upload and maintain your personal health records online!

[www.cyber1health.com](http://www.cyber1health.com)

# Welcome to the future of logistics!

The fully integrated, automated transportation exchange connecting carriers, brokers and shippers to move and track freight in real-time.



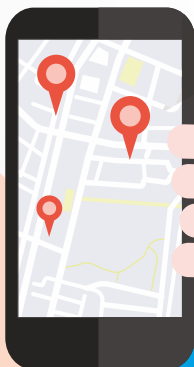
**Business:** For operator, national carrier or private fleets.

**Truckload shipping:** For companies who ship a large amount of their products. Full, half and parcel truckloads, all available!

**Transport Vendor Scorecard:** Customized data mining helps pick the BEST partners according to customer performance scorecards!

**Online Booking:** Integrated with the complete transportation management process, Bharat Cargo eliminates time wasted in the entire transportation process!

**GPS Tracking:** The logistics site offers real-time mapping and on-time status reporting of cargo.



Our platform facilitates the SFOs and MFOs interaction with SME, MSME and domestic customers to achieve their goals.

[www.bharatcargo.in](http://www.bharatcargo.in)

# Complete Hospital Information Solution

Meant for mid-size hospitals, aimed towards the reduction of work and increased productivity.



**Front Office** - the first point of interaction for anybody coming to the hospital! Contains data about patients, doctors, departments and services offered.

**Investigation** - provides details of all the investigations carried out for In-patients and Out-patients.

**Billing** - provides detailed billing of In-patient and Out-patient services.

**Ward Management** - takes care of lab and drug requisitions, critical care readings, ICU orders and reviews of patients.

**Administration** - includes information about rooms, tariffs, critical care equipment, packages and administrative facilities.

**Pharmacy** - deals with the sales and issue of medicine to patients.

**Accounts** - includes financial setup, groups, ledgers, vouchers, trail balance, profit and loss accounts, balance sheet, journal report, cashbook, sales register, debit and credit notes.

**HRMS** - used for overall resource management, like employee details, payroll, and departments.

**Marketing** - takes care of reference doctors, corporate marketing and advertising

**EDP** - exclusively for granting privileges to the employees in the different departments.

HMS by Cybermate Infotek enables the customer to achieve greater productivity, reduce costs and even increase profitability! It also helps decision makers to be more proactive with market dynamics.

# Online Indian Handicrafts Store

---

**Ethnic Indian handicrafts...  
from the hands of the maker  
to the collector.**

**India's diverse art and culture finds distinctive expression in a wide range of handicrafts. Indycrafts provides a virtual platform for creative craftsmen of such artwork to directly connect with buyers around the world online. As an online store for Indian handicrafts we aim to empower local artists and craftsmen, globalize their reach, and provide buyers an experience of unique and exquisite art.**

# IT Offerings



## Heal Soft (HMS)

A complete Enterprise Hospital Management Software Suite (18 modules) for Clinics, Small, Medium and Large Hospitals at multi locations in multiple technologies which can be integrated to an ERP.



## PMS

A complete web based application for the automation of Payroll Process.



## Purchase & Contract Management

A specialized application for vendor management which facilitates procurement specification through tender processes and contract execution.



## HRMS

An application to cater to the Human Resource record maintenance of multi Geographical operations of Public Sector Units



## Electronic Health Record (EHR)

An Electronic Health Record is a digital version of a patient's medical records.



## Document Management System (DMS)

Work flow application for paperless operations for Note generation, Correspondence, Approval and Archival for Government Departments.



## E-Billing

A highly technical product to facilitate enterprise billing for power generation units.



## Asset Management Application (AMS)

An application for tracking the location, operation and movement of active and passive components of remote assets.



## RCMS

A comprehensive retail & wholesale distribution management software package, uniquely designed to suite a single outlet or a multiple / chain of retail stores viz., Super markets and the likes



## Cinfotek CARDS

A complete print order management solution for the print industry.



## Corporate Information System (CIS)

An intranet application of project management for handling project documentation, teams and resources, interact with employees.



## Top Access

Comprehensive suite of solutions for Counter Top manufacturing & retail.



## eTearsheet

Digital distribution of proof of publication of advertisements & tearsheet management.



## Fleetplus

Realtime vehicle monitoring & fleet management in companies with large fleets.



## EZDMS

Simplified low cost Document Management System



## Medrep

A product for Pharmaceutical companies to manage & communicate the effectiveness of the medical representatives in the field.



## Content Management System (CMS)

The Application, comprehensive content management software solution for publishing an online Business News Portal, Breaking News, Budget, Business Interviews or other information resource



# Industry Solutions



## INSURANCE

### Virtual Premium

It is our constant endeavor to offer our clients in the tourism sector, a high quality portalsThe scope of work encompasses the varied range of services including e-commerce, several downloadable applications, payment gateway and GIS services for effective Town mapping

## FINANCE

**Investor Communication:** Configurable Solution to manage large volumes personalized investor account performance reporting

**Credit Card Management:** This web based system provides integrated solution for registration of bank customers namely, Cardholder, Merchants, Marketing Agents, Recovery Agents.



## MANUFACTURING

### Sales Commission Automation System (SCAS):

Is a Web-based solution, to simplify the commission calculation procedure of sales representatives.

**Sugar ERP:** Provides a customizable ERP for the Sugar industries in India.

## TOURISM

CIL provides a solution for a Client engaged in Travel and Tourism Domain. The solution comprises a Tourism Web Portal facilitating global tourists to plan and book their tours on-line which include, air tickets, hotel accommodation, local transport, travel guide, visa regulations and other allied services through payment gateways



## EDUCATION

**Pupilsoft:** Geared towards the US public schools the “scholastic incident reporting system” provides early signals of violence & other anti-social events that may occur in the schools.

**Online University Computer Shop:** A configurable B2C solution for Universities, sale of computers and accessories to students via a preferred reseller.

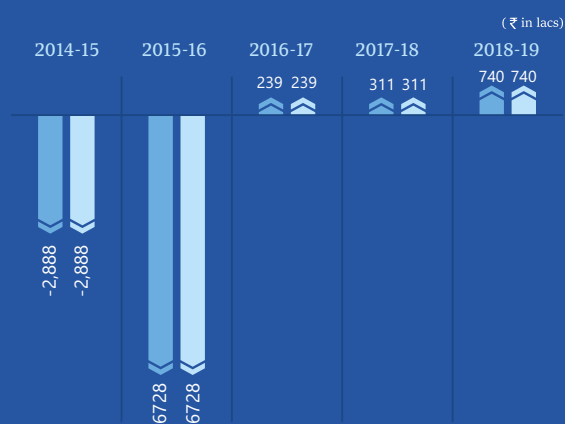
## BUSINESS PROCESS OUTSOURCING (BPO)

CIL has set up operational processes for sales, support, procurement, accounting and compliance for telecom and vendor management for cargo/logistics businesses.

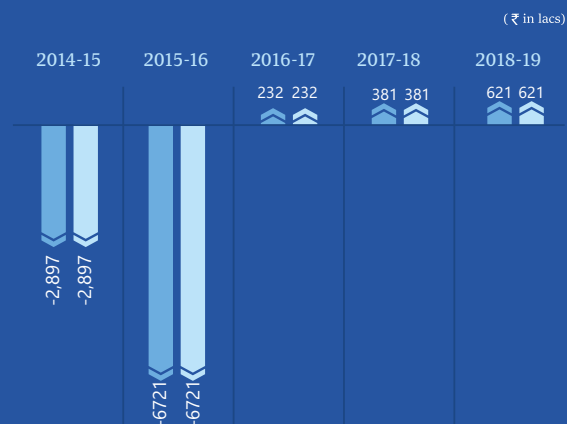


# Rebuild | Reform | Reinvent

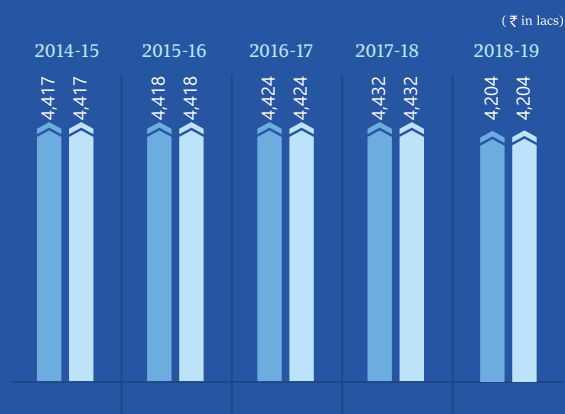
## PROFIT BEFORE TAX



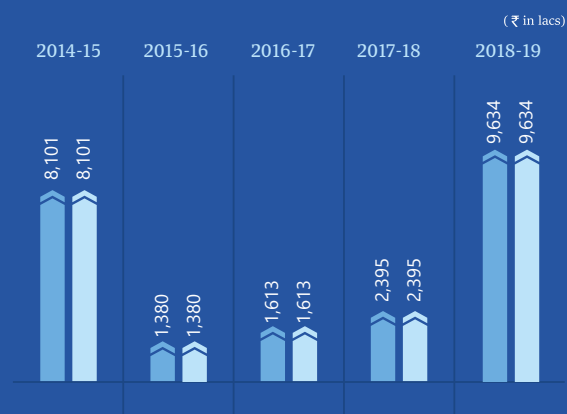
## PROFIT AFTER TAX



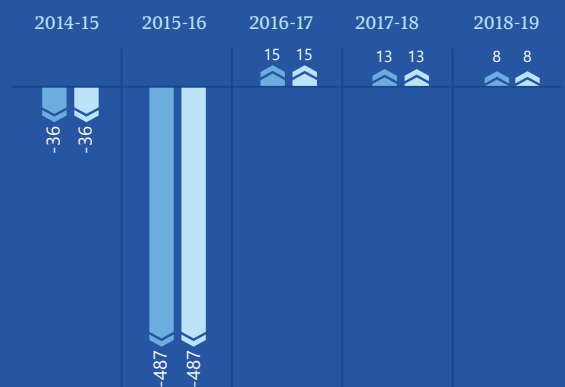
## GROSS BLOCK



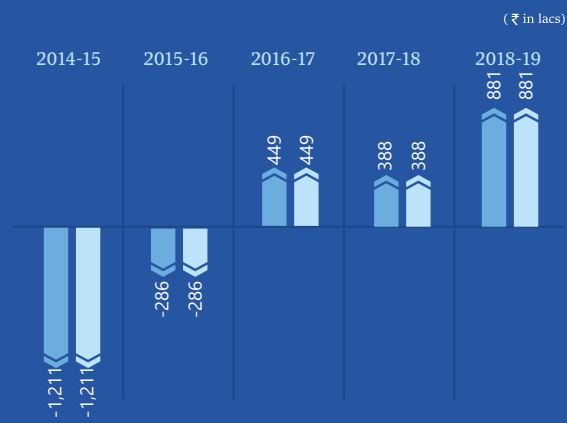
## NET WORTH



## RETURN ON CAPITAL EMPLOYED%



## EBITDA



■ Standalone ■ Consolidated



# MESSAGE FROM THE CHAIRMAN & MANAGING DIRECTOR

Dear Members,

On behalf of the Board of Cybermate Infotek Limited, I thank each of our stakeholders for having reposed confidence in the Management of the Company during the year 2018-19. The year that went by helped us stabilize in terms of operations and take up emerging areas of technology.

During the year under review, the company received subscription of share warrants if full and allotted equity shares for the investors.

Further, during the current year, namely, 2018-19 we have been able to raise the funds through an FCCB to fund the expansion and growth plans of the company.

The company has also made necessary submissions and revived the US Subsidiary Cybermate Infotek Ltd Inc. We are also working on building new relationships for commencing the operations of the Subsidiary at Portugal in health care IT.

I also assure all the stakeholders that your Company has always been emphasizing on meeting its statutory obligations and fulfilling all the procedures, which are mandatorily prescribed as per the statute.

We look forward to the stakeholders to extend and continue their support to reach greater success.

**With warm regards & best wishes,**

**P C Pantulu**

**Chairman & Managing Director**



market  
processing  
internet  
commerce  
solution  
future  
web  
trend  
storage  
network  
analytics  
success  
share  
ideas  
technology  
performance  
social  
media  
system  
teamwork  
information  
collection  
goal  
customer  
obtain  
attention



The background is a blue-tinted collage of financial documents. It includes a bar chart with a y-axis from 0 to 900 and an x-axis with months from Jan to Sept. Another bar chart shows quarterly data for Q1, Q2, Q3, and Q4. A pen lies diagonally across the top right, and a pair of glasses is in the bottom right. Text fragments like '-2 SD', 'TEAMWORK', 'share', 'information', and 'manage' are visible on the left.

06

NOTICE

**Dear Member,**

**Notice is hereby given that the 25th Annual General Meeting of the Shareholders of Cybermate Infotek Limited will be held on Monday, 16th September, 2019 at 10:30 a.m. at Moksh Banquets, 221, Tivoli Road, Secunderabad - 500 003 to transact the following business:**

**Ordinary Business**

**1. To Adopt Audited Financial Statements**

To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2019, the Profit and Loss Account for the year ended 31st March, 2019 together with Schedules and Notes attached thereto, along with the Reports of the Directors and Auditors thereon.

**2. To Appoint Statutory Auditors**

To consider and, if thought fit, to pass, with or without modification, the following Resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 139, 141 and 142 of Companies Act 2013 read with Rule 3(7) of Companies (Audit and Auditor) Rules, 2014, as amended from time to time, M/s. P. Murali & Co., Chartered Accountants, (bearing Firm Reg No.: 007257S) having their office at 6-3-655/2/3, Somajiguda, Hyderabad. 500082 Telangana., be and is hereby appointed as Statutory Auditors of the Company so as to hold the said office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the 26th Annual General Meeting of the Company at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditor.”

**Special Business**

**3. To re-appoint Mr. P.C. Pantulu (DIN: 01583136) as Managing Director and CEO of the Company:**

To consider and, if thought fit to pass with or without modification(s), the following resolution as a Special Resolution:

**”RESOLVED THAT** the Company hereby accords its approval and consent under Sections 196, 197, 198 and other applicable provisions of the Companies Act, 2013 read with applicable company rules and Schedule V thereto, subject to the approval of the members, the Central Government and such other regulatory authority as may be prescribed, to the re-appointment of Mr. P.C. PANTULU (DIN : 01583136) as Managing Director and CEO of the Company for a period with effect from the conclusion of the 25th Annual General Meeting of the Company until completion of 26th Annual General Meeting of the Company and to his receiving remuneration, benefits and amenities as Managing Director of the Company as set out in the Explanatory Statement annexed to the Notice of this Meeting and upon the terms and conditions and stipulations contained in an Agreement to be entered into between the Company and Mr. P.C. Pantulu, a draft whereof is placed before the Meeting and which, for the purposes of identification, is initialled by the Chairman of the Meeting.”

**“RESOLVED FURTHER THAT** the remuneration including benefits, amenities and perquisites as set out in the said draft Agreement shall nevertheless be paid and allowed to Mr. P.C. Pantulu as remuneration for any



financial year subject to the provisions prescribed under Section 197 read with Schedule V to the Companies Act, 2013 and rules framed thereunder and any other applicable provisions of the Act or any statutory modification or re-enactment thereof.”

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to take such steps and do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this Resolution.”

**4. To re-appoint Mr. K.S. Shiva Kumar (DIN: 02103299) as Director (Operations) and COO of the Company.**

To consider and, if thought fit to pass with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), the relevant provisions of the Articles of Association of the Company and all applicable guidelines issued by the Central Government from time to time and subject to such other approvals, as may be necessary, consent of the Members be and is hereby accorded to the appointment of Mr. K.S. SHIVA KUMAR (DIN: 02103299) as the Director (Operations) and Chief Operating Officer (COO) of the Company for the period with effect from with effect from the conclusion of the 25th Annual General Meeting of the Company until completion of 26th Annual General Meeting of the Company.”

“RESOVLED FURTHER THAT the remuneration including benefits, amenities and perquisites as set out in the said draft Agreement shall nevertheless be paid and allowed to Mr. K.S. Shiva Kumar as remuneration for any financial year subject to the provisions prescribed under Section 197 read with

Schedule V to the Companies Act, 2013 and rules framed thereunder and any other applicable provisions of the Act or any statutory modification or re-enactment thereof.”

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to take such steps and do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this Resolution.”

**5. To increase remuneration of Mr. P. Chandra Sekhar, Director (Finance) & Chief Financial Officer of the Company**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 197 and 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), the relevant provisions of the Articles of Association of the Company and all applicable guidelines issued by the Central Government from time to time and subject to such other approvals, as may be necessary, consent of the Members be and is hereby accorded to increase the remuneration of Mr. P. Chandra Sekhar (DIN: 01647212) Director (Finance) and CFO of the Company from the present INR 10.8 Lakhs per annum to INR 24 Lakhs per annum effective from 01st September, 2019.”

“RESOVLED FURTHER THAT the remuneration including benefits, amenities and perquisites as set out in the said draft Agreement shall nevertheless be paid and allowed to Mr. P. Chandra Sekhar as remuneration for any financial year subject to the provisions prescribed under Section 197 read with Schedule V to the Companies Act, 2013 and rules framed thereunder and any other applicable provisions of the Act or any statutory modification or re-enactment thereof.”

**“RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to take such steps and do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this Resolution.”

**6. To appoint Mr. Suraj Bharadwaj (DIN: 08351558) as Independent Director of the Company**

To consider and, if thought fit, to pass, with or without modification, the following Resolution as an Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 152 and any other applicable provisions of the Companies Act, 2013 and any rules made there under read with Schedule IV of the Act, Mr. Suraj Bharadwaj (DIN: 08351558), who was appointed as an additional Director of the Company w.e.f 31st January 2019 and who has submitted a declaration that he meets the criteria of Independence under Section 149(6) of the Companies Act, 2013 and who is eligible for appointment in respect of whom the Company has received a notice in writing from the member proposing his candidature for the office of Director be and is hereby appointed as an Independent Director of the Company for a tenure of Five years, pursuant to the provisions of Section 149(4), 149(6) and 152 of the Companies Act, 2013 by the Board of Directors with effect from the conclusion of this Annual General Meeting, in terms of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company.”

**By Order of the Board of Directors**



**P.C. Pantulu**

**Managing Director**

**DIN: 01583136**

Place: Hyderabad

Date: 14th August 2019

**NOTES:****1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. THE PROXY IN ORDER TO BE EFFECTIVE SHOULD BE DULY STAMPED, COMPLETED AND SIGNED AND MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, NOT LATER THAN 48 HOURS BEFORE THE MEETING.**

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10 % of the total share capital of the company carrying voting rights. A member holding more than 10 % 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.

**2.** Corporate members intending to send their representatives to attend the meeting are requested to send to the company a certified copy of the board resolution authorizing their representative to attend and vote on behalf at the meeting.

**3.** The register of beneficial owners, register of members and share transfer books of the Company will remain closed from 9th day of September, 2019 to 16th day of September, 2019 (both days inclusive).

**4.** Members / Proxies and authorized representatives should bring the Attendance slip enclosed herewith duly filled in and handover the same at the entrance of the Meeting hall. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.

**5.** Members are requested to notify immediately, of any change in their address, to the Company in case their shares are held in dematerialized form; this information should be passed on so that the updated information as required can be made available at the meeting.

**6.** Members holding shares in physical form are requested to de-materialize the shares in electronic form to facilitate faster transfer and avoid rejections for bad deliveries. The Original Share Certificates be sent to Aarthi Consultants (P) Ltd, 1-2-285, Domalguda, Hyderabad-500029.

**7.** Members seeking any information or clarifications on the Annual Report are requested to send in their written queries to the company at least one week before the meeting to enable the company compile the information and provide replies at the meeting.

**8.** The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members are requested to register their e-mail addresses in respect of electronic holdings with the depository through their concerned Depository Participants. Members who hold shares in physical form are requested to send their e-mail address to the following:

1. [secretarial@cybermateinfotek.com](mailto:secretarial@cybermateinfotek.com)
2. [info@aarthiconsultants.com](mailto:info@aarthiconsultants.com)

Members may also note that the aforesaid documents are available for download from the company's website: - [www.cybermateinfotek.com](http://www.cybermateinfotek.com)

**9. Voting through electronic means**

Pursuant to the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules 2014, the company is pleased to offer e-voting facilities to the members to cast their votes electronically on all resolutions set forth in this notice.

Members who do not have e-voting facility can take the benefit of ballot form enclosed herewith. Complete instructions on e-voting and ballot are annexed herewith and forms part of this notice.

**10. Instructions for e-voting:**

- a. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- b. Click on “Shareholders” tab.
- c. Now enter your User ID

| For Members holding shares in Demat Form                   | For Members holding shares in Physical Form |
|------------------------------------------------------------|---------------------------------------------|
| For NSDL: 8 Character DP ID followed by 8 Digits Client ID | Folio Number registered with the Company    |
| For CDSL: 16 digits beneficiary ID,                        |                                             |

- d. Enter the Image Verification as displayed and Click on Login.
- e. If you are holding shares in demat form, logged on to [www.evotingindia.com](http://www.evotingindia.com) and have voted earlier for any resolutions of any company, then your existing password is to be used.
- f. If you are a first-time user, follow the steps given below:

| For Members holding shares in Demat Form and Physical Form |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>PAN</b>                                                 | <p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p>Physical Shareholders who have not updated their PAN with the Company are requested to use the first two letters of their name in Capital Letter followed by 8 digits 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 folio number. Eg. If your name is Ramesh Kumar with folio number 1234 then enter RA00001234 in the PAN field</p> <p>Demat Shareholders who have not updated their PAN with their Depository Participant are requested to use the first two letters of their name in Capital Letter followed by 8 digit CDSL client id. For example: CDSL Account holder name is Rahul Mishra and Demat A/c No. is 12058700 00001234 then default value of PAN is 'RA00001234'. NSDL Account holder name is Rahul Mishra and DP ID. is IN300000 and client ID 12345678, then default value of PAN is 'RA12345678'.</p> |
| <b>DOB</b>                                                 | Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Dividend Bank Details</b>                               | <p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <p>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 folio/client id.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |

- g. After entering these details appropriately, click on "SUBMIT" tab.
- h. Members holding shares in Physical form will then reach directly to the voting screen.
- i. Members holding shares in Demat form will now reach 'Password Creation' menu. Here, 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 to take utmost care to keep your password confidential.
- If Demat account holder has forgotten the changed password, then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- j. Click on the relevant EVSN for the "CYBERMATE INFOTEK LIMITED" on which you choose to vote.
- k. On the voting page, you can find "**Resolution Description**" against which the option 'YES/NO' for voting is provided. Enter the number of shares (which represents number of votes) under YES/NO.
- l. Click on the "Resolution File link" if you wish to view the entire Notice of the Annual General Meeting.
- m. 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 "**OK**", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- n. Once you '**CONFIRM**' your vote on the resolution, you will not be allowed to modify your vote.
- o. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- p. Note for Non-Individual Shareholders & Custodians:
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
  - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- q. E-voting Period begins on Friday, the 13th September, 2019 at 10.00 am and ends on Sunday, the 15th September 2019 at 5.00 pm. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (Record date is Saturday, 7th September, 2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.



- r. Members have an option to vote either electronically (availing services provided by CDSL) or by using the poll slips to be distributed at the meeting. If the members have cast their vote electronically, then they should not cast their vote at the meeting. However, if a member has voted electronically and has again voted at the meeting, then the voting done through e-voting shall prevail and voting done at the meeting shall be treated as invalid.
- s. Ms. Madhavi Ganti (Membership No: ACS 21910, CP No. 13318), representing as Partners of M/s CAS & Associates, Practicing Company Secretaries having their office at Hyderabad has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- t. 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](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

The Results shall be declared on or after the Annual General Meeting (AGM). The results declared along with the scrutinizers report shall be placed on the company's website [www.cybermateinfotek.com](http://www.cybermateinfotek.com) and on the website of CDSL within two (2) working days of passing the resolutions at the AGM of the company and communicated to the Bombay Stock Exchange Limited on which the shares of the company are listed.

**STATEMENT ANNEXED TO THE NOTICE AND SETTING OUT THE MATERIAL FACTS CONCERNING EACH ITEM OF SPECIAL BUSINESS PURSUANT TO SECTION 102 OF COMPANIES ACT, 2013.**

**Item No 3:**

Mr. P.C. Pantulu was appointed as a Managing Director of the Company for a period ending with the conclusion of the 25th Annual General Meeting.

The Members of the Company had, by a resolution passed at the General Meeting held on 24th September 2018, approved his re-appointment as Managing Director and Chief Executive Officer for a further period.

The Board of Directors has, by a resolution passed at its meeting held on 14th August 2019, approved the re-appointment of Mr. P.C. Pantulu as Managing Director and Chief Executive Officer (CEO) for a further term concluding on the completion of the 26th Annual General Meeting of the Company.

The remuneration proposed to be paid to Mr. P.C. Pantulu and the perquisites proposed to be provided to him are set out below:

- i. Salary - Rs. 2,50,000/- per month
- ii. Increments - Such increments as may be fixed by the Board of Directors from time to time
- iii. Performance Bonus as may be determined by the Board of Directors.
- iv. Provident Fund - Company's contribution not to exceed 12% of salary.
- v. Housing - The Company to provide rent free partially furnished, air-conditioned, residential accommodation with telephone, gas and electricity, the monetary value of which may be evaluated as per the Income-tax Rules, 1962.

- vi. Medical Aid - Medical aid benefits for self and family as applicable to the Officers of the Company, subject to the condition that the cost of medical benefits to the Company be within the limits as prescribed by Income Tax Act.
- vii. Free use of the Company's car and fuel expenses for use on the Company's business as well as for own use. If car is leased from an external agency or from spouse, lease rental and fuel expenses will be paid as per rules of the Company.
- viii. Reimbursement of salary of driver as per rules of the Company.
- ix. The Company to pay fees for one Club (including admission or entrance fees and monthly or annual subscriptions).
- x. Leave on full pay and allowances as per rules of the Company for such number of days of leave as may be granted to other employees of the Company in the Head Office.
- xi. Reimbursement of actual travelling and entertainment expenses incurred on behalf of the Company, subject to such ceiling on entertainment expenses as may be imposed by the Board of Directors from time to time.
- xii. Reimbursement of expenses on mobile phone and landline phone at residence as per rules of the Company. (All the above perquisites shall be evaluated as per Income-tax Rules, wherever applicable. In the absence of any such Rule, perquisites shall be evaluated at actual cost.)

#### **OTHER TERMS AND CONDITIONS:**

- a) He shall not be paid any sitting fees for attending Board/ Committee Meetings.
- b) He shall not become interested or otherwise concerned directly or through his wife and/or minor children in any selling agency without prior approval of the Central Government.

- c) The appointment may be terminated by the Company or by Mr. P.C. Pantulu by giving not less than three months' prior notice in writing. The Directors are of the opinion that Mr. P.C. Pantulu's knowledge and experience will be of immense value to the Company. The Board, therefore, recommends the acceptance of the Resolution set out at Item No. 3 of the Notice convening the Meeting.

The said draft Agreement referred to in the Resolution is available for inspection to the Members at the Registered Office of the Company on any working day (Monday to Friday) between 11 a.m. and 1 p.m. prior to the date of the Annual General Meeting.

The Special resolution proposed to be passed is an enabling resolution in compliance with Section 197 read with Schedule V to the Companies Act, 2013, permitting the Company to appoint and pay remuneration to Mr. P.C. Pantulu who has attained an age of 73 years.

Mr. P.C. Pantulu, Mr. P. Chandra Sekhar and their relatives are interested in this resolution.

#### **Item No. 4**

Based on the recommendation of the Nomination & Remuneration Committee, the Board of Directors of the Company have appointed Mr. K.S Shiva Kumar as an Director (Operations) and Chief Operating Officer (COO) of the Company to hold office for a period commencing from the conclusion of the 25th Annual General Meeting until conclusion of the 26th Annual General Meeting of the Company for the financial year 2019-20, subject to consent by the Members of the Company at the ensuing Annual General Meeting ("AGM") for a total remuneration of Rs. 80,000/- per month.

As Director (Operations), Mr. K.S. Shiva Kumar holds office till the date of the AGM and is eligible for being appointed as Director and is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as a Director of the Company.

He has more than Twenty seven (27) years of experience in Software Development, Training and Heading MIS Departments. He has been instrumental in launching various corporate training programs for Universities, banks, and other training establishments. He promoted Cybermate Infotek Limited in the year 1994. He has made significant contribution in setting up of the operations of the company since inception and has also been instrumental in providing a marketing base to the company and for delivering solutions in emerging technologies in yester years.

A copy of the draft letter of appointment for Director, setting out the terms and conditions for appointment is available for inspection by the Members at the registered office of the Company during business hours on any working day.

Mr. K.S. Shiva Kumar is not related to any other Director and Key Managerial Personnel of the Company. None of the Directors, Key Managerial Personnel and their relatives, except Mr. K.S. Shiva Kumar is concerned or interested in the said resolution.

The resolution as set out in item No. 4 of this Notice is accordingly recommended for your approval.

#### Item No. 5

Based on the recommendation of the Nomination & Remuneration Committee in their meeting dated 6th August 2019, the Board of Directors of the Company have approved the increase in remuneration of Mr. P. Chandra Sekhar Director(Finance) and CFO of the Company from the existing INR 10.8 Lakhs per annum to INR 24 Lakhs per annum with effect from 01st September, 2019.

As Director (Finance) & Chief Financial Officer of the Company, Mr. P. Chandra Sekhar has been playing a vital role in ensuring the keep the growth chart of the Company moving in a positive direction. Mr. P. Chandra Sekhar, a Cost Accountant (Qualified in the year 1998) by qualification. He has worked with a

large retail chain in international markets as Senior Financial Analyst before joining the Board of Cybermate Infotek Limited. He comes with a rich experience in the field of Finance, Accounts, Corporate Strategy, Financial Management, Taxation, Secretarial and International Trade Practices. He was appointed on the Board of the Company on 30th June 2006.

He is a promoter of the Company and holds 303100 shares of the Company in his name as on March 31, 2018.

The remuneration proposed to be paid to Mr. P. Chandra Sekhar and the perquisites proposed to be provided to him are set out below:

- i. Salary - Rs. 2,00,000/- per month
- ii. Increments - Such increments as may be fixed by the Board of Directors from time to time
- iii. Performance Bonus as may be determined by the Board of Directors.
- iv. Provident Fund - Company's contribution not to exceed 12% of salary.
- v. Medical Aid - Medical aid benefits for self and family as applicable to the Officers of the Company, subject to the condition that the cost of medical benefits to the Company be within the limits as prescribed by Income Tax Act.
- vi. Free use of the Company's car and fuel expenses for use on the Company's business as well as for own use. If car is leased from an external agency or from spouse, lease rental and fuel expenses will be paid as per rules of the Company.
- vii. Reimbursement of salary of driver as per rules of the Company.
- viii. The Company to pay fees for one Club (including admission or entrance fees and monthly or annual subscriptions).

- ix. Leave on full pay and allowances as per rules of the Company for such number of days of leave as may be granted to other employees of the Company in the Head Office.
- x. Reimbursement of actual travelling and entertainment expenses incurred on behalf of the Company, subject to such ceiling on entertainment expenses as may be imposed by the Board of Directors from time to time.
- xi. Reimbursement of expenses on mobile phone and landline phone at residence as per rules of the Company. (All the above perquisites shall be evaluated as per Income-tax Rules, wherever applicable. In the absence of any such Rule, perquisites shall be evaluated at actual cost.)

The draft Agreement referred to in the Resolution is available for inspection to the Members at the Registered Office of the Company on any working day (Monday to Friday) between 11 a.m. and 1 p.m. prior to the date of the Annual General Meeting.

The Special resolution proposed to be passed is an enabling resolution in compliance with Section 197 read with Schedule V to the Companies Act, 2013, permitting the Company to pay remuneration to Mr. P. Chandra Sekhar.

Mr. P. Chandra Sekhar and Mr. P.C. Pantulu and their relatives are interested in this resolution.

Item No. 06

| Name of the Director                                                                                          | Mr. Suraj Bharadwaj |
|---------------------------------------------------------------------------------------------------------------|---------------------|
| Director Identification Number                                                                                | 08351558            |
| Expertise in specific functional area                                                                         | Finance             |
| Date of Birth                                                                                                 | 21-04-1980          |
| Number of Companies in which Directorship is held as at 31st March 2019                                       | NIL                 |
| Chairman/Member of the Committees of the Board of the Company in which he is a Director as of 31st March 2019 | NIL                 |

**By Order of the Board of Directors**



**P.C. Pantulu**  
**Managing Director**  
**DIN: 01583136**

Place: Hyderabad  
 Date: 14th August 2019

**Registered & Corporate Office**

CYBERMATE INFOTEK LIMITED (CIN : L72200TG1994PLC017485)

19 & 20, Moti Valley, Trimulgherry, Secunderabad. 500015. TELANGANA.

Tel : +91 40 4776 6123/4 Fax : +91 40 4776 6143 | E-mail : secretarial@cybermateinfotek.com

Website : www.cybermateinfotek.com







07

Board's Report

**Dear Members,**

Greetings!!!

We herewith present the report on our business and operations for the year ended 31st March 2019.

## 1. Financial Results

The Company's financial performance for the year under review along with previous year's figures is given hereunder:

₹ in '000

| Particulars for the year ended                        | For the year ended<br>31-03-2019 | For the year ended<br>31-03-2018 |
|-------------------------------------------------------|----------------------------------|----------------------------------|
| <b>Net Sales/Income from Business Operations</b>      | <b>6,04,447.55</b>               | <b>10,46,738.2</b>               |
| Other Income                                          | 36,870.89                        | 106.6                            |
| <b>Total Income</b>                                   | <b>6,41,318.44</b>               | <b>10,46,844.8</b>               |
| Less Interest                                         | 12,554.30                        | -                                |
| Profit/(Loss) before Depreciation & Exceptional Items | 6,28,764.14                      | 38,795.5                         |
| Less Exceptional Items                                | -                                | -                                |
| Profit before Depreciation                            | 75,526.75                        | 38,795.5                         |
| Less Depreciation                                     | 1,493.45                         | 7,718.3                          |
| <b>Profit after Depreciation and Interest</b>         | <b>74,033.3</b>                  | <b>31,077.2</b>                  |
| Less Current Income Tax                               | 12,407.62                        | -                                |
| Less Previous Year Adjustment of Income Tax           | -                                | -                                |
| Less Deferred tax                                     | (440.43)                         | (7,019.6)                        |
| <b>Net Profit after Tax</b>                           | <b>62,066.11</b>                 | <b>38,096.7</b>                  |
| Dividend                                              | -                                | -                                |
| <b>Net Profit after dividend and Tax</b>              | <b>62,066.11</b>                 | <b>38,096.7</b>                  |
| Amount transferred to General Reserve                 | -                                | -                                |
| <b>Balance Carried to Balance Sheet</b>               | <b>62,066.11</b>                 | <b>38,096.7</b>                  |
| Earning per Share(Basic)                              | 0.70                             | 0.47                             |
| Earning per Share(Diluted)                            | 0.15                             | 0.47                             |

## Financial highlights

**Revenues-Standalone :** Revenue for the year ended 31st March 2019 stands at Rs. 6413.18 lakhs as compared to 10468.44 lakhs the same period last year. The Company's revenues declined by about 38.73 % over the previous year.

**Revenues-Consolidated :** The subsidiary of the Company situated at USA had been dormant during the year under review, hence on account of consolidation, there is no addition of revenues. The subsidiary at Portugal is yet to commence operations.

**Profits- Standalone :** The Company had earned a net profit (before tax) of Rs. 740.33 Lakhs as against a net profit Rs. 310.77 Lakhs in the previous year.

**Profits-Consolidated :** There are no additions to the Profits of the company on consolidated results as there were no operations in the Subsidiary in the US. The subsidiary in Portugal is yet to commence its operations.

#### **Capital Expenditure on Tangible Assets-Standalone**

During the year, additions to fixed assets were NIL as in the previous year.

#### **Liquidity**

The working capital position of the Company showed signs of improvement due to improved realisations and also the infusion of capital by way of allotment of share warrants to promoters and investors.

During the year, the Company completed the issuance of \$10.5 Mn, 1 % Unsecured Foreign Currency Convertible Bonds. These proceeds were invested into wholly owned subsidiary at Portugal as per the ECB guidelines issued by Reserve Bank of India.

#### **2. Dividend**

No Dividend is being proposed for the current financial year to conserve resources.

#### **3. Subsidiaries, Joint Ventures and Associate Companies**

CIL has revived its subsidiary in the US. The company is in the process of identifying domain specific leadership for commencement of US Operations.

Similarly, the company is also in the process of identifying leadership for Operations in the Europe specific to emerging technology areas such as Cyber Security and Analytics.

Statement pursuant to Section 129 Subsection (3)(I) of the Companies Act 2013, read with Rule 5 of

Companies Accounts Rules, 2014 relating to financial statements of subsidiary companies as formatted in AOC-1 form has been attached as Annexure-D to this report.

#### **4. Directors and Key Managerial Personnel**

##### **Profile of the Directors:**

##### **I. Mr. Chenchiah Pantulu Pattapurathi (DIN: 01583136)**

He is Seventy-Four (74) years old. He is a commerce graduate and a member of Institute of Chartered Accountants of India (qualified in the year 1971). He has forty-eight (48) years of experience in industries such as Electrical Appliances, Food Processing, Ship Building, Cement, Cement Products, Textiles, Pharmaceuticals etc., to his credit. His experience has been in the area of Financial Management, Management Accounting and Taxation.

He promoted CIL in the year 1994 and has led the company since its inception and has been instrumental in shaping and executing strategy and financial structuring. At present he is Managing Director and Chief Executive Officer of CIL. He is a Trustee of Chennarayudu Public Charitable Trust. He is a promoter of the company and holds 1,68,15,820 shares of the company in his name as on March 31, 2019.

##### **ii. Mr. Satya Shiva Kumar Kanakadandi (DIN: 02103299)**

He is Fifty-Three (53) years old. He is a science graduate. He has more than twenty-eight (28) years of experience in Software Development, Training and Heading MIS Departments. He has been instrumental in launching various corporate training programs for Universities, banks, and other training establishments.

He has made significant contribution in setting up of the operations of the company since inception

and has also been instrumental in providing a marketing base to the company and for delivering solutions in emerging technologies in yester years.

At present he is Director Operations and Chief Operating Officer of CIL. He is a promoter of the company and holds 8,93,010 shares of the company in his name as on March 31, 2019.

**iii. Mr. Chandra Sekhar Pattapurathi**  
(DIN: 01647212)

He is forty-Four (44) years old. He is a commerce graduate and a member of the Institute of Cost and Works Accountants of India (qualified in the year 1998). He began his career with CIL as an Executive in Finance & Account. He has worked with a large retail chain in international markets as a Senior Financial Analyst before joining the Board of CIL He has experience in, Finance, Accounts, Corporate Strategy, Financial Management, Taxation, Secretarial and International Trade Practices.

He has been appointed a director of CIL since 30th June 2006 .At present he is Director - Finance and Chief Financial Officer of the Company.

He is a promoter of the company and holds 3, 03,100 shares of the company in his name as on March 31, 2019.

**iv. Mr. Koteswara Rao Kanamarlapudi**  
(DIN: 06401491)

He is seventy-one (71) years old. He is a commerce graduate and a member of the Institute of Chartered Accountants of India (qualified in the year 1972). He has worked with large logistics, Food Processing industries in India before setting up of a Construction and Contracting company in Doha, Qatar

He joined the Board of CIL on 30th September 1996 as a non-executive promoter director

He is a promoter of the company and holds 1,78,200 shares of the company in his name as on March 31, 2019.He is a member of the Stake holder's relationship committee.

**v. Callepalli Kamakshi Bharathi**  
(DIN: 07144611)

She is forty-three (43) years old. She is a post graduate in Electronics. She has worked extensively in the fields of Software Defined Radio (HD Radio) and 4G Base station technology (PHY and MAC layers). Currently, she is associated with start-ups working on Machine learning and deep learning. She is a Non-Executive and independent director on the board of Cybermate Infotek Limited and is not a shareholder of the company.

She joined the board on 27th March 2015 as an independent(woman) director.

She is the chairperson of Nomination and Remuneration committee and a member of Audit Committee.

**vi. Vegunta Sai Roop Kumar**  
(DIN: 05317482)

He is forty-four (44) years old, a commerce graduate and a fellow member of the Institute of Chartered Accountants of India (qualified in the year 2003) and graduate member of the institute of Cost Accountants of India. (qualified in the year 1998)

He started his career working with an audit firm and later moved into heading finance function for a diversified group viz Hospitality, Real Estate and Technology before setting up his professional practice as a Chartered Accountant.

Mr. Vegunta Sai Roop Kumar joined the board on 07th March 2016 as a Non-Executive Independent Director and is not a shareholder of the company. He is the Chairperson of Audit Committee and a member of Nomination and remuneration committee.

**vii. Mr. Bade Srinivasa Reddy**  
(DIN: 01384074)

He is fifty (50) years old, He is a M.B.A (Finance), Certified Investment Adviser, National Stock Exchange of India Certified Market Professional (NCMP Level 5 - Highest Level), He is pursuing Ph.D., in Investment Management (part time).

He has more than 22 years of Hands on Experience in Financial Markets and Services Sector as Financial Analyst, Head of the firm with Stock Exchange Membership, Investment Advisory, Private Equity and other Businesses.

He is an Empanelled Corporate Trainer for SEBI Promoted NISM, American Academy of Financial Management (AAFM), National Stock Exchange of India (NSE) and others.

Mr. Bade Srinivasa Reddy joined the board on 07th March 2016 as a Non-Executive Independent Director and is not a shareholder of the company. He is the chairperson of Stakeholders relationship committee and a member of nomination and remuneration committee.

**viii. Mr. Suraj Bharadwaj**  
(DIN: 08351558)

He is 39 years old. He is an MBA (Finance) with 13+ years of diverse experience in Corporate Finance, Project Finance, Debt syndication & restructuring, financial planning and analysis, Private Banking, Wealth Management and Business Development.

Mr. Suraj Bharadwaj joined the board on 31st January 2019 as an Additional Director and is not a shareholder of the Company.

**Independence of directors**

The Board has received statement of disclosures from all the Independent Directors highlighting the fulfilment of all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 to qualify

themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules. Every such statement submitted by the independent directors has been taken note of by the board.

**Resignations & Appointments**

During the year, Mr. Suraj Bharadwaj (DIN 08351558) was appointed as an additional director on 31st January 2019.

**Re-appointments**

● **Managing Director**

Mr. P.C. Pantulu, Managing Director was re-appointed as Chairman, Managing Director & CEO of the Company with effect from conclusion of the 25th Annual General Meeting up to conclusion of the 26th Annual General Meeting of the company for the year 2019-20 in the meeting of the Board of Directors held on the 14th August 2019.

● **Directors**

Mr. K.S. Shiva Kumar, Director was re-appointed as Director-Operations and COO of the Company with effect from conclusion of the 25th Annual General Meeting up to conclusion of the 26th Annual General Meeting of the company for the year 2019-20 in the meeting of the Board of Directors held on the 14th August 2019.

Disclosures about receipt of any commission by MD /WTD from company or any commission / remuneration from the subsidiaries

The Managing Director, or Whole-time directors are not in receipt of any commission from the company or any remuneration or commission from the subsidiaries.

**5. Remuneration Policy**

Your Directors has, on the recommendation of the Nomination & Remuneration Committee, framed a



policy for selection and appointment of Directors, Senior Management Personnel and their remuneration in accordance with Section 197 of the Companies Act, 2013 and Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) for the time being in force).

The salient aspects covered in the Nomination and Remuneration Policy have been outlined in the Corporate Governance Report which forms part of this report.

The remuneration paid to your Directors and Managerial Personnel is in accordance with the Nomination and Remuneration Policy thus formulated.

The information required under Section 197 (12) of the Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as Annexure – I.

## 6. Declaration by Independent Directors

Pursuant to sub section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, all the Independent Directors of your Company have given declaration that they have met the criteria of independence as required under the Act and the regulations.

## 7. Formal Annual Evaluation of Performance of the Board and its Committees

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, mandates that the Board shall monitor and review the board evaluation framework.

The framework includes evaluation of directors on parameters such as

- Peer Evaluation
- Decision Making
- Analysis of Information
- Board Dynamics & Relationships
- Corporate Strategy
- Participation at Board Committees

The Companies Act 2013 states that a formal evaluation needs to be made by the board of its own performance and that of its committees and individual directors. Schedule IV to the Companies Act States that the performance evaluation of independent directors shall be done by the entire board of directors excluding the director being evaluated.

The evaluation process has been explained in Corporate Governance Report.

## 8. Board Committees

Detailed composition of the mandatory Board committees namely Audit Committee, Nomination and Remuneration Committee, Stakeholders Grievances' Committee, number of meetings held during the year under review and other related details are set out in the Corporate Governance Report which forms a part of this Report.

The members of the board have reconstituted the committees as follows with effect from 27th May 2019.

The Company in its Board meeting dated 06th August 2019 has formulated a Corporate Social Responsibility Committee on account of Company surpassing the threshold limit on applicability of Corporate Social Responsibility (CSR) as provided pursuant to Section 135 of Companies Act, 2013, the details of members of the Committee are provided below

**Audit Committee**

| Name of the Member     | Designation |
|------------------------|-------------|
| Mr.V.S.Roop Kumar      | Chairman    |
| Ms.C.Kamakshi Bharathi | Member      |
| Mr.Suraj Bharadwaj     | Member      |

**Nomination and Remuneration Committee**

| Name of the Member     | Designation |
|------------------------|-------------|
| Ms.C.Kamakshi Bharathi | Chairman    |
| Mr.B.Srinivasa Reddy   | Member      |
| Mr.V.S.Roop Kumar      | Member      |

**Stakeholders Relationship Committee**

| Name of the Member     | Designation |
|------------------------|-------------|
| Mr.B.Srinivasa Reddy   | Chairman    |
| Ms.C.Kamakshi Bharathi | Member      |
| Mr.Suraj Bharadwaj     | Member      |

**Corporate Social Responsibility Committee**

| Name of the Member     | Designation |
|------------------------|-------------|
| Mr. Suraj Bharadwaj    | Chairman    |
| Mrs. Kamakshi Bharathi | Member      |
| Mr. P Chandra Sekhar   | Member      |

**9. Deposits**

The Company has neither accepted nor renewed any deposits during the year under review.

**10. Particulars of Loans, Guarantees or Investments made under section 186 of the Companies Act, 2013.**

There were no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review.

**11. Disclosures under Sexual Harassment of Women at Workplace**

In accordance with the provisions of the Sexual Harassment of Women at the workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company is required to have an Anti- sexual

harassment policy through which an Internal Complaints Committee is constituted. The said committee meets at regular intervals to redress any complaints received by the committee in these lines and after due deliberation aims at disposing off the complaints. However, there has been no such complaint filed within the company till date.

**12. Significant and material orders passed by the regulators or court**

**NCLT Order:** During the year 2017-18, an individual and an overseas corporate had approached the National company Law Tribunal, Hyderabad claiming amounts as financial creditors under section 7 of the Insolvency and Bankruptcy code 2016.

The Company had made submissions before the NCLT denying the allegations and dues to the petitioners. The NCLT, Hyderabad passed orders on the 26th March 2018 admitting the petition and appointed an Insolvency Resolution Professional thereby suspending the board of the company.

The IRP took charge and made announcements in the news papers on the 01st May 2018 inviting claims of the creditors.

The IRP also issued a notice of meeting of Committee of Creditors to be held on the 21st May 2018.

Meanwhile Mr. P. Chandra Sekhar, one of the promoters of the Company filed an appeal before the National Company Law Appellate Tribunal, New Delhi (NCLAT) seeking a stay on the IBC proceedings.

The NCLAT was not inclined to grant a stay and posted the matter for hearing on the 21st May 2018.

Aggrieved by the order of the NCLAT not inclined to grant a stay, Mr. P. Chandra Sekhar, approached the Honourable Supreme Court of India seeking a stay on the IBC proceedings. The Hon'ble Supreme Court

granted a stay on the 18th May 2018 on the order of the NCLT dated 26-03-2018.

Thus, the board of the company was restored. The matter is pending adjudication before the Hon'ble Supreme Court of India.

The complainant has filed his counter before the supreme court and the Company is now preparing its re-joinder.

Statutory Auditors have placed this aspect on emphasis of matters and also commented that in case the orders in this litigation are adverse the same would affect the continuance of the company's operations as a going concern.

However, the management is confident that the outcome of this litigation is not likely to result in adverse orders on the basis of merits.

**13. Material changes and commitments, if any affecting the financial position of the company occurred between the end of the financial year to which these financial statements relate and the date of the report.**

**a. Search on premises by Director General of Goods and Services Tax Intelligence Unit**

During the year 2018-19, the Director General of Goods and Services Tax Intelligence (DGGSTI), Hyderabad Zonal Unit conducted a search on the premises of the company, the residence of one of the promoter Mr. P.Chandra Sekhar and also the Office of the Statutory Auditors of the company.

The company had extended its co-operation during the search. The DGGSTI team concluded the search on the same day and have recovered documents as declared in the panchanama dated 13th June 2018.

The company has submitted the necessary information and is awaiting orders from the DGGSTI on this matter.

**b. Allotment of Shares Consequent to Conversion of Share warrants of Promoters and Investors.**

During the year, the investors have subscribed to the share warrants in full.

Thus, there are no share warrants pending nor did any share warrants lapse.

**c. Allotment of Foreign Currency Convertible Bonds**

The company had on the 10th July 2018, received subscription in full for the 1% Unsecured, 10,500,000 Foreign Currency Convertible Bonds and has allotted 105 bonds for USD 1,00,000 to each bondholder thus raising an amount of USD 10,500,000. Five bonds were converted into equity shares during the year. As at 31st March 2019, 100 bonds of USD 1,00,000 were outstanding and restated in accordance with the IAS.

As per the term sheet dated 8th March 2018 between the bond holders and the company, interest is payable along with the principal only at the end of the term of five years.

The company has remitted interest to the bond holders for the first half of the period on the 8th January 2019 and seeks to accrue the same for subsequent period in accordance with the term sheet dated 22nd March 2018 and the Offering Circular dated 08th July 2018.

**14. Particulars of Contracts or Arrangements made with Related Parties.**

All Contracts/arrangements/transactions entered by the company during the financial year 2018-19 with related parties were in the ordinary course of business and on an arm's length basis.

In this regard, we draw your attention to Note 28 containing a Statement Pursuant to Clause (h) of sub section 134 of the companies Act 2013, and Rule 8(2) of the Companies (Accounts) Rules, 2014, to the financial statements which sets out related party disclosures.

### 15. Number of Board meetings conducted during the year under review.

The directors of the company have met four (4) times during the financial year under review for the purposes of discussing the affairs of the company and its business, the details of which are listed below:

| Date of Meeting | Time     | Place           | Meeting No | Qtr     |
|-----------------|----------|-----------------|------------|---------|
| 29-May-18       | 10.30 am | Regd & Corp Off | 01/2018-19 | Apr-Jun |
| 13-Aug-18       | 11.00 am | Regd & Corp Off | 02/2018-19 | Jul-Sep |
| 09-Nov-18       | 10.30 am | Regd & Corp Off | 03/2018-19 | Oct-Dec |
| 07-Feb-19       | 10.30 am | Regd & Corp Off | 04/2018-19 | Jan-Mar |

### 16. Vigil Mechanism

The Company has established a vigil mechanism and oversees through the committee, the genuine concerns expressed by the employees and other Directors. The Company has also provided adequate safeguards against victimization of employees and Directors who express their concerns. The Company has also provided direct access to the chairman of the Audit Committee on reporting issues concerning the interests of co employees and the Company. The company has also set out a whistle blower policy in terms of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, so as to ensure that the business is conducted with integrity and the company's financial information is accurate.

The Policy on Vigil Mechanism and whistle blower policy may be accessed on the company's website.

### 17. Training of independent directors

Whenever, new Non-executive and Independent Directors are inducted in the Board they are introduced to our Company's culture through appropriate orientation session and they are also introduced to our organization structure, our business, constitution, Board procedures, our major risks and management strategy.

### 18. Directors Responsibility Statement

Pursuant to the requirement under Section 134 (3) (c) of the Companies Act 2013 with respect to Directors Responsibility Statement, it is hereby confirmed.

- That in the preparation of the Annual Accounts for the financial year ended March 31, 2019 the applicable accounting standards had been followed along with proper explanation relating to material departures.
- The Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit and loss of the Company for that period.
- That the Directors had taken proper and sufficient care towards 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.
- That the Directors had prepared the accounts for the financial year ended March 31, 2019 on a 'going concern' basis.
- That proper internal financial controls were in place and that the financial controls were adequate and were operating effectively
- That systems to ensure compliance with the provision of all applicable laws were in place and were adequate and operating effectively.

### 19. Extract of Annual Return

Form MGT 9 containing details, forming part of the extract of the Annual return is annexed to this report as Annexure "III" [pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014].

**20. Statement concerning development and implementation of Risk Management Policy of the company.**

The Company has constituted a Risk Management Committee in the meeting of the Directors on Board held on the 28th May 2015 and the details of the risk management framework under the purview of the Risk Management Committee of the Company has been discussed under the Management Discussion and Analysis Report which forms a part of this report.

However, this committee was dissolved as the Risk Management framework is yet not applicable to the Company as per the statute.

**21. Details of Policy developed and implemented by the company on its Corporate Social Responsibility initiatives.**

Pursuant to Section 135 of the Companies Act, 2013 every Company having

- Net worth of rupees five hundred crore or more, or
- Turnover of rupees one thousand crore or more or
- Net profit of rupees five crore or more

during any financial year, shall constitute a Corporate Social Responsibility Committee of the Board consisting of three or more directors, out of which at least one director shall be an independent director.

During the year, on the basis of the Net Profit earned, the company qualifies for Corporate Social Responsibility initiatives. The company has constituted a committee for the same (as provided under "Board's Committee" - Point No. 9 ) and plan for the CSR activities in due course.

**22. Transfer of Unclaimed Dividend to Investor Protection Fund.**

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid last year.

**23. Adequacy of Internal Financial Controls**

The Company has established and is maintaining internal controls and procedures. The Board of Directors have evaluated the effectiveness of the Company's internal controls and procedures and confirm that they are adequate based on the size and the nature of its business.

**24. Internal Audit**

The Company has a well-established system of Internal Audit which carries out audit on Risk Management framework covering all the functions.

**25. Auditors and Auditors report****Statutory Auditors**

M/s P. Murali & Co, Chartered Accountants, were appointed as Statutory Auditors from the conclusion of previous Annual General meeting until the upcoming annual general meeting. It is now proposed to re-appoint them as Statutory Auditors from the commencement of the ensuing Annual General Meeting till the conclusion of the next Annual General Meeting. The Company has received a certificate from M/s P Murali & Co. to the effect that if reappointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

As required above, the Board has, after considering the recommendations of the Audit Committee, incorporated a suitable resolution for your consideration and approval in the notice calling the ensuing Annual General Meeting of the Company.

**Secretarial Auditor**

The Board has now appointed M/s CAS & Associates, Practising Company Secretaries, Hyderabad to conduct Secretarial Audit for the financial year 2019-20. The Secretarial Audit report as issued by M/s CAS & Associates for the financial year ended March 31, 2019 is annexed herewith in Annexure-IV.



## **26. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo.**

The detailed information as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished under Annexure "V" as attached to this report.

## **27. Management Discussion and Analysis**

Management Discussion and Analysis Report forms a part of the Annual Report

## **28. Explanation or comments on qualifications, reservations or adverse remarks or disclaimers made by the auditors and the practicing company secretary in their reports**

The Statutory Auditor's report has laid emphasis of matter on the IBC proceedings and the impact on the going concern assumption.

The management clarifies that the transaction does not pertain to the company as the company is not a party to either loan agreement or settlement deed presented by the said financial creditors before the NCLT.

Thus, the going concern assumption is considered appropriate by the management and the financial statements have been prepared by applying normal principles of recognition and measurement.

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

## **29. Shares**

**Buy back of Securities :** The Company has not bought back any of its securities during the financial year under review.

**Sweat Equity :** The Company has not issued any Sweat Equity Shares during the financial year under review.

**Bonus Shares :** No Bonus Shares were issued during the financial year under review.

**Employees Stock Option Plan:** The Company has not provided for any Stock Options to its employees during the financial year under review.

## **30. Disclosures**

### **Changes in Board & Board Committees**

During the year, the board has appointed Mr. Suraj Bharadwaj as an Additional Director (DIN: 08351558) on 31st January 2019 by way of Circular Resolution and the same was taken note of by the Board of Directors in their meeting dated 07th February 2019.

Disclosures pertaining to the mandatory committees constituted by the Board for specific purposes has been included in the Corporate Governance Report which forms a part of the Annual report. Thus, the information pertaining to the composition of the board and number of meetings held by the committees such as Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee are covered in there.

## **31. Corporate Governance**

Pursuant to Regulation 27 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, a separate report on corporate governance has been included in this Annual Report in Annexure –VI together with a certificate from the Practicing Company Secretary regarding compliance of conditions of Corporate Governance.

All Board members and senior management personnel have affirmed compliance with the Code of Conduct for the year 2018-19. A declaration to this effect signed by the Managing Director of the Company is contained in this Annual Report.

**32. Acknowledgement**

Your Directors place on record their sincere thanks to their employees, bankers, business associates, consultants, Legal Advisors and various government authorities for their continued support extended to your Company's activities during the financial year under review. Your Directors also acknowledge gratefully for your support and for the confidence reposed on this Company.

For and on behalf of the Board of Directors

**P.C. Pantulu**

Managing Director

DIN 01583136

**P. Chandra Sekhar**

Whole time director

DIN 01647212

Date: 14-08-2019

Place: Hyderabad

## Annexure I

### Financial Statements of Subsidiaries

(Statement pursuant to Section 129 Subsection (3)(I) of the Companies Act 2013, read with Rule 5 of Companies Accounts Rules, 2014 relating to financial statements of subsidiary companies)

₹ in '000

| Name of the Subsidiary       | Cybermate Infotek Limited Inc | Cybermate International, Unipessoal, LDA |
|------------------------------|-------------------------------|------------------------------------------|
| Financial Year ended         | 31st December 2018            | 31st December 2018                       |
| Exchange Rate                | 1 USD = 70.77 INR             | 1 EUR = 80.48 INR                        |
| Share Capital (₹)            | 2,17,500                      | 68,25,00,000                             |
| Reserves & Surplus (₹)       | -                             | -                                        |
| <b>Total Assets (₹)</b>      | <b>2,17,500</b>               | <b>68,25,00,000</b>                      |
| <b>Total Liabilities (₹)</b> | <b>2,17,500</b>               | <b>68,25,00,000</b>                      |
| Turnover (₹)                 | -                             | -                                        |
| Profit/Loss (₹)              | -                             | -                                        |
| <b>% of Shareholding</b>     | <b>100%</b>                   | <b>100%</b>                              |

Notes :

1. Cybermate Infotek Limited Inc has been re-instated on the records of Delaware Division of Corporations
2. Cybermate International, Unipessoal, LDA is yet to commence operations.

## Annexure II

Particulars of Employees information as per Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

| Information Pursuant to Rule 5 of the Companies (Appointment and Remuneration of Managerial Remuneration) Rules, 2014                                                       |                                                                                                                             |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------|
| 1. Ratio of the remuneration of each director to the median remuneration of the employees of the company excluding Managing Director for the financial year                 | Please refer to Annexure II A to this Report for details.                                                                   |
| 2. The percentage increase in remuneration of each director, chief financial officer, chief executive officer, company secretary or manager, if any, in the financial year. | Please refer to Annexure II B to this Report for details.                                                                   |
| 3. The percentage increase / (decrease) in the median remuneration of employees.                                                                                            | The percentage decrease in the median remuneration in the financial year 2018-19 of employees on India Payroll was (-16.5%) |
| 4. The number of permanent employees on the rolls of the company.                                                                                                           | 165                                                                                                                         |

|                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                      |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 5. Average percentile increase already made in the salaries of employees other than managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and pointout if there are any exceptional circumstances for increase in managerial remuneration | Average percentage increase made in the salaries of the employees other than the managerial personnel in the last financial year is Nil % for India based employees. |
| 6. The key parameters for any variable component of remuneration availed by the Directors                                                                                                                                                                                                                                                    | Variable Component of Compensation for Directors would be on the basis of the recommendations of Nomination and Remuneration Committee.                              |
| 7. Affirmation that the remuneration is as per the remuneration policy of the company                                                                                                                                                                                                                                                        | The remuneration to employees of the Company is as per the remuneration policy of the Company                                                                        |

## Annexure II A

| # Name of the Director | Ratio of remuneration of each director to the median remuneration of the employees of the Company |
|------------------------|---------------------------------------------------------------------------------------------------|
| 1 P Chandra Sekhar     | 0.90%                                                                                             |
| 2 K S Shiva Kumar      | 0.80%                                                                                             |

## Annexure II B

| # Name of the Director/ Key Managerial Personnel | Name of the Director/ Key Managerial Personnel | % Increase in the Remuneration |
|--------------------------------------------------|------------------------------------------------|--------------------------------|
| 1 P Chandra Sekhar                               | Director & CFO                                 | Nil                            |
| 2 K S Shiva Kumar                                | Director - Operations                          | Nil                            |

### Remuneration Policy

The Remuneration Policy of the Company is designed in a way that attracts talent, motivate in order to retain manpower and to improve productivity by creating a cohesive work force, encouraging initiatives, personal growth and team work, and inculcating a sense of belongingness and nurtures the willingness to involve in the providing the best of their abilities, besides offering appropriate remuneration packages and superannuation benefits. The policy reflects the Company's objectives for good corporate governance as well as sustained long-term value creation for shareholders.

The Nomination & Remuneration Committee (NRC) determines individual remuneration packages for Directors, KMPs and senior Officials of the Company taking into account, factors it deems relevant, including but not limited to market, business performance and practices in comparable Companies, having due regard to financial and commercial health of the Company as well as prevailing laws and government/other guidelines. NRC consults the Chairman of the Board as it deems appropriate. Remuneration of the Chairman is recommended by NRC to the Board of the Company.

**Applicable:** This Remuneration Policy applies to the whole of the Company including directors, senior management including its Key Managerial Personnel (KMP) and other employees of the Company.

**Guiding principle:** The guiding principle is that the remuneration and the other terms of employment should effectively help in attracting and retaining committed and competent personnel. While designing remuneration packages, industry practices and cost of living are also taken into consideration.

#### **Statutory Requirements:**

- Section 197(1) of the Companies Act, 2013 provides for the total managerial remuneration payable by the Company to its directors, including managing director and whole-time director, and its manager in respect of any financial year shall not exceed eleven percent of the net profits of the Company.
- Section 197(5) of the Companies Act, 2013 provides for remuneration by way of sitting fee to a director for attending meetings of the Board of Directors and Committee meetings or for any other purpose as may be decided by the Board.
- The Company with the approval of the Shareholders and Central Government may authorise the payment of remuneration exceeding eleven percent of the net profits of the Company, subject to the provisions of Schedule V of the Companies Act, 2013.
- The Company may with the approval of the shareholders authorise the payment of remuneration up to five percent of the net profits of the Company to its anyone Managing Director/Whole Time Director/Manager and ten percent in case of more than one such official.
- The Company may pay remuneration to its part-time directors, other than Managing Director and Whole Time Director up to one percent of the net profits of the Company, if there is a managing director or whole-time director or manager and three percent of the net profits in any other case.
- The net profits for the purpose of the above remuneration shall be computed in the manner referred to in Section 198 of the Companies Act, 2013.

**Directors:** As per the policy followed by the Company since inception, the non-executive directors are paid remuneration in the form of sitting fees for attending Board and Committee meetings as fixed by the Board of Directors from time to time subject to statutory provisions. Presently, sitting fee is Rs. 2,500/- per Board meeting and per Committee meeting per Independent and Non-Executive Director on Board of the Company.



Remuneration of Whole Time Directors including Managing Director reflects the overall remuneration philosophy and guiding principle of the Company. At the time of considering the appointment and remuneration of Whole Time Directors, the members of the Nomination & Remuneration Committee (NRC) consider the pay and employment conditions in the industry, merit, seniority of the person and the payment capacity of the Company.

The NRC while designing the remuneration package, considers the level and composition of remuneration to be reasonable and sufficient to attract, retain and motivate the person to ensure the quality required to run the Company successfully.

The NRC while considering a remuneration package must ensure a balance between fixed and performance linked variable pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.

The NRC considers that a successful Remuneration Policy must ensure that some part of the remuneration package be linked to the achievement of corporate performance targets and a strong alignment of interest with stakeholders.

The term of office and remuneration of Whole Time Directors are subject to the approval of the Board of Directors, shareholders and the limits laid down under the present applicable sections read with relevant rules of Companies Act, 2013 and as modified from time to time.

The Independent Directors shall not be entitled to any stock option and may receive sitting fees for attending meetings of the Board or Committee thereof or for any other purpose as may be decided by the Board and profit related commission as may be approved by the members. The sitting fee to the Independent Directors shall not be less than the sitting fee payable to other directors.

**Reward principles and objectives:** The Company's Remuneration Policy is guided by a reward framework and set of principles and objectives as more fully and particularly envisaged under section 178 of the Companies Act 2013, inter alia principles pertaining to determining qualifications, positive attributes, integrity and independence etc.

**Reward policies:** Remuneration packages for Whole Time Directors are designed subject to the limits laid down under the Companies Act, 2013, to remunerate them fairly and responsibly.

The Whole Time Directors' remuneration comprises of salary, perquisites and performance-based commission/ reward apart from retirement benefits like P.F., Superannuation, Gratuity, etc. as per Rules of the Company.

Remuneration also aims to motivate personnel to deliver Company's key business strategies, create a strong performance-oriented environment and reward achievement of meaningful targets over the short and long term.

The Whole Time Directors are entitled to customary non-monetary benefits such as company cars, furnished accommodation, health care benefits, leave travel, communication facilities, etc. Their terms of appointment provide for severance payments as laid down under relevant sections of the Companies Act, 2013.

**Key Managerial Personnel [KMP] Senior Management:** Appointment of KMP & senior management and cessation of their service are subject to the approval of NRC and the Board of Directors. Remuneration of KMP and other senior management personnel is decided by the Managing Director (MD) on the recommendation of the Whole Time Director concerned, wherever applicable, broadly based on the Remuneration Policy in respect of Whole Time Directors. Total remuneration comprises of:

- A fixed base salary - set at a level aimed at attracting and retaining executives with professional and personal competence, showing good performance towards achieving Company goals.
- Perquisites - in the form of house rent allowance/ accommodation, furnishing allowance, reimbursement of medical expenses, conveyance, telephone, leave travel, etc.
- Retirement benefits - contribution to PF, superannuation, gratuity, etc. as governed by respective acts and rules prevailing in the Company from time to time.
- Motivation /Reward - A performance appraisal is carried out annually and promotions/ increments/ rewards are decided by the Managing Director based on the appraisal and recommendation of the concerned Whole Time Director, wherever applicable.
- Severance payments - in accordance with terms of employment, and applicable statutory requirements, if any.

**Other employees:** The remuneration of other employees is fixed from time to time as per the guiding principles outlined above and considering industry standards and cost of living. In addition to basic salary, they are also provided perquisites and retirement benefits as per schemes of the Company and statutory requirements, wherever applicable. Policies of motivation / reward / severance payments are applicable to this category of personnel as in the case of those in the management cadre.

**Removal:** The Committee may recommend, to the Board, removal of a Director, KMP or Senior Management Personnel due to following reasons:

- Any disqualification
- Misconduct
- Breach of Contract or trust
- Conflict in interest
- Such recommendation to the Board shall be with reasons recorded in writing.

**Disclosure of information:** Information on the total remuneration of members of the Company's Board of Directors, Whole Time Directors and KMP/ senior management personnel may be disclosed in the Company's annual financial statements as per statutory requirements.

**Application of the Remuneration Policy:** This Remuneration Policy shall continue to guide all future employment of Directors, Senior Management including Key Managerial Personnel and other employees. Any departure from the policy can be undertaken only with the approval of the Board of Directors.

## Annexure III

| FORM NO. MGT 9                                                                                                                  |
|---------------------------------------------------------------------------------------------------------------------------------|
| EXTRACT OF ANNUAL RETURN<br>as on financial year ended on 31.03.2019                                                            |
| Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration ) Rules, 2014. |

### I REGISTRATION & OTHER DETAILS:

|     |                                                                            |                                                                                                                                |
|-----|----------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|
| i   | CIN                                                                        | L7220TG1994PLC017485                                                                                                           |
| ii  | Registration Date                                                          | 05-05-1994                                                                                                                     |
| iii | Name of the Company                                                        | Cybermate Infotek Limited                                                                                                      |
| iv  | Category/Sub-category of the Company                                       | Information Technology and Information Technology Enabling Services                                                            |
| v   | Address of the Registered office & contact details                         | Plot No 19 & 20, Moti Valley, Trimulgherry, Secunderabad. 500015. Telangana, Tel : +91 40 4776 6123/4, Fax : +91 40 4776 6143  |
| vi  | Whether listed company                                                     | Yes                                                                                                                            |
| vii | Name, Address & contact details of the Registrar & Transfer Agent, if any. | Aarthi Consultants Pvt. Ltd<br>1-2-285, Domalguda, Hyderabad. 500029. Ph:+91 40 - 27634445/8111/27642217. Fax +91 40 27632184. |

### II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated

| Name & Description of main products/services          | NIC Code of product/service | % to total turnover of the company |
|-------------------------------------------------------|-----------------------------|------------------------------------|
| Computer Programming, Consultancy, related activities | 620                         | 100                                |

### III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

| Name & Address of the Company          | CIN/ GLN | Holding/Subsidiary/Associate | % of Shares Held | Applicable Section |
|----------------------------------------|----------|------------------------------|------------------|--------------------|
| Cybermate Infotek Limited Inc          | -        | Subsidiary                   | 100              | Section 2(87)      |
| Cybermate International Unipessoal LDA | -        | Subsidiary                   | 100              | Section 2(87)      |

**IV (I) SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAK-UP% TO TOTAL EQUITY)**

| Category of Shareholders                          | No. of shares held at the end of the year<br>March 31, 2018 |          |                    |                   | No. of shares held at the end of the year<br>March 31, 2019 |          |                    |                   |            |
|---------------------------------------------------|-------------------------------------------------------------|----------|--------------------|-------------------|-------------------------------------------------------------|----------|--------------------|-------------------|------------|
|                                                   | Demat                                                       | Physical | Total              | % of total Shares | Demat                                                       | Physical | Total              | % of total Shares | % change   |
| <b>A. PROMOTERS</b>                               |                                                             |          |                    |                   |                                                             |          |                    |                   |            |
| <b>(1) Indian</b>                                 |                                                             |          |                    |                   |                                                             |          |                    |                   |            |
| (a) Individuals/HUF                               | 1,88,06,603                                                 | -        | 1,88,06,603        | 23.4              | 1,88,06,853                                                 | -        | 1,88,06,853        | 19.0              | 0.1        |
| (b) Central Govt./<br>State Govt.(s)              |                                                             |          |                    |                   |                                                             |          |                    |                   |            |
| (c) Bodies<br>Corporate                           |                                                             |          |                    |                   |                                                             |          |                    |                   |            |
| (d) Banks/FI                                      |                                                             |          |                    |                   |                                                             |          |                    |                   |            |
| (e) Any Other                                     |                                                             |          |                    |                   |                                                             |          |                    |                   |            |
| <b>SUB TOTAL - (A)(1)</b>                         | <b>1,88,06,603</b>                                          | <b>-</b> | <b>1,88,06,603</b> | <b>23.4</b>       | <b>1,88,06,853</b>                                          | <b>-</b> | <b>1,88,06,853</b> | <b>19.0</b>       | <b>0.1</b> |
| <b>(2) Foreign</b>                                |                                                             |          |                    |                   |                                                             |          |                    |                   |            |
| (a) NRI - Individuals                             |                                                             |          |                    |                   |                                                             |          |                    |                   |            |
| (b) Individuals                                   |                                                             |          |                    |                   |                                                             |          |                    |                   |            |
| (c) Bodies Corporate                              |                                                             |          |                    |                   |                                                             |          |                    |                   |            |
| (d) Banks/FI                                      |                                                             |          |                    |                   |                                                             |          |                    |                   |            |
| (e) Any Other                                     |                                                             |          |                    |                   |                                                             |          |                    |                   |            |
| <b>SUB TOTAL - (A)(2)</b>                         |                                                             |          |                    |                   |                                                             |          |                    |                   |            |
| <b>Total Shareholding<br/>of the Promoter (A)</b> | <b>1,88,06,603</b>                                          | <b>-</b> | <b>1,88,06,603</b> | <b>23.4</b>       | <b>1,88,06,853</b>                                          | <b>-</b> | <b>1,88,06,853</b> | <b>19.0</b>       | <b>0.1</b> |
| <b>= (A)(1) + (A)(2)</b>                          |                                                             |          |                    |                   |                                                             |          |                    |                   |            |
| <b>B. PUBLIC SHAREHOLDING</b>                     |                                                             |          |                    |                   |                                                             |          |                    |                   |            |
| <b>(1) Institutions</b>                           |                                                             |          |                    |                   |                                                             |          |                    |                   |            |
| (a) Mutual Funds                                  |                                                             |          |                    |                   |                                                             |          |                    |                   |            |
| (b) Banks/FI                                      | 200                                                         | -        | 200                | -                 | 200                                                         | -        | 200                | -                 | -          |
| (c) Central Govt.                                 |                                                             |          |                    |                   |                                                             |          |                    |                   |            |
| (d) State Govt.                                   |                                                             |          |                    |                   |                                                             |          |                    |                   |            |
| (e) Venture Capital<br>Fund                       |                                                             |          |                    |                   |                                                             |          |                    |                   |            |
| (f) Insurance<br>Companies                        |                                                             |          |                    |                   |                                                             |          |                    |                   |            |
| (g) FIIs                                          |                                                             |          |                    |                   |                                                             |          |                    |                   |            |
| (h) Foreign Venture<br>Capital Funds              |                                                             |          |                    |                   |                                                             |          |                    |                   |            |
| (i) Others (specify)                              |                                                             |          |                    |                   |                                                             |          |                    |                   |            |
| <b>SUB TOTAL (B)(1)</b>                           | <b>200</b>                                                  | <b>-</b> | <b>200</b>         | <b>-</b>          | <b>200</b>                                                  | <b>-</b> | <b>200</b>         | <b>-</b>          | <b>-</b>   |
| <b>(2) Non-Institutions</b>                       |                                                             |          |                    |                   |                                                             |          |                    |                   |            |
| (a) Bodies<br>Corporate                           | 24,06,030                                                   | 25,700   | 24,31,730          | 3.0               | 18,02,604                                                   | 24,700   | 18,27,304          | 1.8               | 0.8        |
| (i) Indian                                        |                                                             |          |                    |                   |                                                             |          |                    |                   |            |
| (ii) Overseas                                     |                                                             | 15,200   | 15,200             | -                 | 1,51,16,279                                                 | 15,200   | 1,51,31,479        | 15.3              | -          |

|                                                                                     |                    |                 |                    |             |                    |                 |                    |             |             |
|-------------------------------------------------------------------------------------|--------------------|-----------------|--------------------|-------------|--------------------|-----------------|--------------------|-------------|-------------|
| (b) Individuals                                                                     |                    |                 |                    |             |                    |                 |                    |             |             |
| (i) Individual shareholders holding nominal share capital upto Rs. 2 Lakhs          | 4,51,44,951        | 5,39,664        | 4,56,84,615        | 56.7        | 4,51,89,369        | 5,29,984        | 4,57,19,353        | 46.2        | 0.5         |
| (ii) Individual shareholders holding nominal share capital in excess of Rs. 2 Lakhs | 1,02,31,209        |                 | 1,02,31,209        | 12.7        | 1,48,21,489        |                 | 1,48,21,489        | 15.0        | -0.2        |
| (c) Others (specify)                                                                | 33,69,905          | 2,500           | 33,98,105          | 4.2         | 26,49,063          | 2,500           | 26,51,563          | 2.7         | -1.3        |
| <b>SUB TOTAL (B)(2)</b>                                                             | <b>6,11,52,095</b> | <b>5,83,064</b> | <b>6,17,60,859</b> | <b>76.7</b> | <b>7,95,78,804</b> | <b>5,72,384</b> | <b>8,01,51,188</b> | <b>81.0</b> | <b>-0.1</b> |
| <b>Total Public Shareholding (B) = (B)(1)+(B)(2)</b>                                | <b>6,11,52,295</b> | <b>5,83,064</b> | <b>6,17,61,059</b> | <b>76.7</b> | <b>7,95,79,004</b> | <b>5,72,384</b> | <b>8,01,51,388</b> | <b>81.0</b> | <b>-0.1</b> |
| (c) Shares held by custodians for ADRs & GDRs                                       |                    |                 |                    |             |                    |                 |                    |             |             |
| <b>Grand Total (A+B+C)</b>                                                          | <b>7,99,58,898</b> | <b>5,83,064</b> | <b>8,05,41,962</b> | <b>100</b>  | <b>9,83,85,857</b> | <b>5,72,384</b> | <b>9,89,58,241</b> | <b>100</b>  | <b>-</b>    |

**(II) SHAREHOLDING OF PROMOTERS**

| # Shareholder's Names   | Shareholding at the beginning of the year |                                  |                                                   | Shareholding at the end of the year |                                  |                                                   | % Change in shareholding |
|-------------------------|-------------------------------------------|----------------------------------|---------------------------------------------------|-------------------------------------|----------------------------------|---------------------------------------------------|--------------------------|
|                         | No. of Shares                             | % of total shares of the Company | % of shares pledged or encumbered to total shares | No. of Shares                       | % of total shares of the Company | % of shares pledged or encumbered to total shares |                          |
| 1 Mr. P.C.Pantulu       | 1,68,15,820                               | 16.99                            | -                                                 | 1,68,16,820                         | 16.99                            | -                                                 | 0.00                     |
| 2 Mr. K S Shivakumar    | 8,93,010                                  | 0.90                             | -                                                 | 8,93,010                            | 0.90                             | -                                                 | 0.00                     |
| 3 Mr. P. Chandra Sekhar | 3,03,100                                  | 0.31                             | -                                                 | 3,03,100                            | 0.31                             | -                                                 | 0.00                     |
| 4 Mr. K. Koteswara Rao  | 1,78,200                                  | 0.18                             | -                                                 | 1,78,200                            | 0.18                             | -                                                 | 0.00                     |
| 5 Ms. P. Rajeswari      | 16,473                                    | 0.02                             | -                                                 | 16,723                              | 0.02                             | -                                                 | 0.00                     |
| 6 Mr. K Bhujanga Rao    | 6,00,000                                  | 0.61                             | -                                                 | 6,00,000                            | 0.61                             | -                                                 | 0.00                     |

**(III) CHANGE IN PROMOTERS SHAREHOLDING**

| # Shareholder's Names                     | Shareholding at the end of the year |                                  | Shareholding at the during of the year |                                  |
|-------------------------------------------|-------------------------------------|----------------------------------|----------------------------------------|----------------------------------|
|                                           | No. of Shares                       | % of total shares of the Company | No. of Shares                          | % of total shares of the Company |
| <b>1 PATTAPURATHI CHENCHIAIAH PANTULU</b> |                                     |                                  |                                        |                                  |
| Opening Balance as on 01st April 2018     | 1,68,15,820                         | 16.99                            |                                        |                                  |
| Add: Purchase of Shares                   |                                     |                                  |                                        |                                  |
| Less: Sale of Shares                      |                                     |                                  |                                        |                                  |
| Closing Balance as on 31st March 2019     |                                     |                                  | 1,68,15,820                            | 16.99                            |
| <b>2 K.S. SHIVAKUMAR</b>                  |                                     |                                  |                                        |                                  |
| Opening Balance as on 01st April 2018     | 8,93,010                            | 0.90                             |                                        |                                  |
| Add: Purchase of Shares                   |                                     |                                  |                                        |                                  |
| Less: Sale of Shares                      |                                     |                                  |                                        |                                  |
| Closing Balance as on 31st March 2019     |                                     |                                  | 8,93,010                               | 0.90                             |
| <b>3 P. CHANDRA SEKHAR</b>                |                                     |                                  |                                        |                                  |
| Opening Balance as on 01st April 2018     | 3,03,100                            | 0.31                             |                                        |                                  |
| Add: Purchase of Shares                   |                                     |                                  |                                        |                                  |
| Less: Sale of Shares                      |                                     |                                  |                                        |                                  |
| Closing Balance as on 31st March 2019     |                                     |                                  | 3,03,100                               | 0.31                             |
| <b>4 K. KOTESWARA RAO</b>                 |                                     |                                  |                                        |                                  |
| Opening Balance as on 01st April 2018     | 1,78,200                            | 0.18                             |                                        |                                  |
| Add: Purchase of Shares                   |                                     |                                  |                                        |                                  |
| Less: Sale of Shares                      |                                     |                                  |                                        |                                  |
| Closing Balance as on 31st March 2019     |                                     |                                  | 1,78,200                               | 0.18                             |
| <b>5 P. RAJESWARI</b>                     |                                     |                                  |                                        |                                  |
| Opening Balance as on 01st April 2018     | 16,473                              | 0.02                             |                                        |                                  |
| Add: Purchase of Shares                   | 250                                 | 0.00                             |                                        |                                  |
| Less: Sale of Shares                      |                                     |                                  |                                        |                                  |
| Closing Balance as on 31st March 2019     |                                     |                                  | 16,723                                 | 0.02                             |
| <b>6 K BHUJANGA RAO</b>                   |                                     |                                  |                                        |                                  |
| Opening Balance as on 01st April 2018     | 6,00,000                            | 0.61                             |                                        |                                  |
| Add: Purchase of Shares                   |                                     |                                  |                                        |                                  |
| Less: Sale of Shares                      |                                     |                                  |                                        |                                  |
| Closing Balance as on 31st March 2019     |                                     |                                  | 6,00,000                               | 0.61                             |



**(IV) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS  
(OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF ADRS/GDRS)**

| # Shareholder's Names                      | Shareholding at the end of the year |                                  | Shareholding at the during of the year |                                  |
|--------------------------------------------|-------------------------------------|----------------------------------|----------------------------------------|----------------------------------|
|                                            | No. of Shares                       | % of total shares of the Company | No. of Shares                          | % of total shares of the Company |
| <b>1 GLOBAL FOCUS FUND</b>                 |                                     |                                  |                                        |                                  |
| Opening Balance as on 01st April 2018      | -                                   |                                  |                                        |                                  |
| Add: Purchase of Shares                    | 1,51,16,279                         | 15.28                            |                                        |                                  |
| Less: Sale of Shares                       |                                     |                                  |                                        |                                  |
| Closing Balance as on 31st March 2019      |                                     |                                  | 1,51,16,279                            | 15.28                            |
| <b>2 SAHISTAAKHTAR SARVARHUSSIAN NAGAD</b> |                                     |                                  |                                        |                                  |
| Opening Balance as on 01st April 2018      | 14,99,195                           | 1.51                             |                                        |                                  |
| Add: Purchase of Shares                    | 4,25,408                            | 0.43                             |                                        |                                  |
| Less: Sale of Shares                       |                                     |                                  |                                        |                                  |
| Closing Balance as on 31st March 2019      |                                     |                                  | 19,24,603                              | 1.94                             |
| <b>3 MALLAVARAPU JAYARAMI REDDY</b>        |                                     |                                  |                                        |                                  |
| Opening Balance as on 01st April 2018      | 1,67,140                            | 0.17                             |                                        |                                  |
| Add: Purchase of Shares                    | 7,83,136                            | 0.79                             |                                        |                                  |
| Less: Sale of Shares                       |                                     |                                  |                                        |                                  |
| Closing Balance as on 31st March 2019      |                                     |                                  | 9,50,276                               | 0.96                             |
| <b>4 SAMALA SUBBA REDDY</b>                |                                     |                                  |                                        |                                  |
| Opening Balance as on 01st April 2018      | -                                   | -                                |                                        |                                  |
| Add: Purchase of Shares                    | 9,00,000                            | 0.91                             |                                        |                                  |
| Less: Sale of Shares                       |                                     |                                  |                                        |                                  |
| Closing Balance as on 31st March 2019      |                                     |                                  | 9,00,000                               | 0.91                             |
| <b>5 SAMALA PRABHAVATHI</b>                |                                     |                                  |                                        |                                  |
| Opening Balance as on 01st April 2018      | -                                   | -                                |                                        |                                  |
| Add: Purchase of Shares                    | 9,00,000                            | 0.91                             |                                        |                                  |
| Less: Sale of Shares                       |                                     |                                  |                                        |                                  |
| Closing Balance as on 31st March 2019      |                                     |                                  | 9,00,000                               | 0.91                             |
| <b>6 PINNELLI ANANTHARAMAMMA</b>           |                                     |                                  |                                        |                                  |
| Opening Balance as on 01st April 2018      | -                                   | -                                |                                        |                                  |
| Add: Purchase of Shares                    | 9,00,000                            | 0.91                             |                                        |                                  |
| Less: Sale of Shares                       |                                     |                                  |                                        |                                  |
| Closing Balance as on 31st March 2019      |                                     |                                  | 9,00,000                               | 0.91                             |
| <b>7 AJITH P MATHEW</b>                    |                                     |                                  |                                        |                                  |
| Opening Balance as on 01st April 2018      | 8,75,000                            | 0.88                             |                                        |                                  |
| Add: Purchase of Shares                    |                                     | -                                |                                        |                                  |
| Less: Sale of Shares                       |                                     |                                  |                                        |                                  |
| Closing Balance as on 31st March 2019      |                                     |                                  | 8,75,000                               | 0.88                             |
| <b>8 ASHA JAIN</b>                         |                                     |                                  |                                        |                                  |
| Opening Balance as on 01st April 2018      | 5,43,000                            | 0.55                             |                                        |                                  |
| Add: Purchase of Shares                    |                                     |                                  |                                        |                                  |

|                                       |          |      |  |
|---------------------------------------|----------|------|--|
| Less: Sale of Shares                  |          |      |  |
| Closing Balance as on 31st March 2019 | 5,43,000 | 0.55 |  |
| 9 KOLLI SIVA KRISHNA                  |          |      |  |
| Opening Balance as on 01st April 2018 | 4,40,000 | 0.44 |  |
| Add: Purchase of Shares               |          |      |  |
| Less: Sale of Shares                  |          |      |  |
| Closing Balance as on 31st March 2019 | 4,40,000 | 0.44 |  |
| 10 JAINAM SHARE CONSULTANTS PVT LTD   |          |      |  |
| Opening Balance as on 01st April 2018 | 6,47,462 | 0.65 |  |
| Add: Purchase of Shares               |          |      |  |
| Less: Sale of Shares                  | 2,31,374 |      |  |
| Closing Balance as on 31st March 2019 | 4,16,088 | 0.42 |  |

## V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

₹ in lakhs

|                                                            | Secured Loans<br>excluding<br>deposits | Unsecured Loans | Deposits   | Total<br>Indebtedness |
|------------------------------------------------------------|----------------------------------------|-----------------|------------|-----------------------|
| <b>Indebtedness at the beginning of the financial year</b> |                                        |                 |            |                       |
| i) Principal Amount                                        | 303.0                                  | 260.2           | 0.0        | 563.2                 |
| ii) Interest due but not paid                              | 0.0                                    | 0.0             | 0.0        | 0.0                   |
| iii) Interest accrued but not due                          | 0.0                                    | 0.0             | 0.0        | 0.0                   |
| <b>Total (i+ii+iii)</b>                                    | <b>303.0</b>                           | <b>260.2</b>    | <b>0.0</b> | <b>563.2</b>          |
| <b>Change in indebtedness during the financial year</b>    |                                        |                 |            |                       |
| Additions                                                  | 0.0                                    | 0.0             | 0.0        | 0.0                   |
| Reduction                                                  | 303.0                                  | 260.2           | 0.0        | 563.2                 |
| <b>Net Change</b>                                          | <b>303.0</b>                           | <b>260.2</b>    | <b>0.0</b> | <b>563.2</b>          |
| <b>Indebtedness at the end of the financial year</b>       |                                        |                 |            |                       |
| i) Principal Amount                                        | 0.0                                    | 0.0             | 0.0        | 0.0                   |
| ii) Interest due but not paid                              | 0.0                                    | 0.0             | 0.0        | 0.0                   |
| iii) Interest accrued but not due                          | 0.0                                    | 0.0             | 0.0        | 0.0                   |
| <b>Total (i+ii+iii)</b>                                    | <b>0.0</b>                             | <b>0.0</b>      | <b>0.0</b> | <b>0.0</b>            |

Note : Interest is not provided as the lender has initiated SARFAESI proceedings

**VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration of Managing Director(MD), Whole Time Director (WTD) and/or Manager**

₹ in lakhs

| Particulars                                                              | MR. P.C.Pantulu | Mr. K.S. Shiva Kumar | Mr. P.Chandra Sekhar | Total Amount |
|--------------------------------------------------------------------------|-----------------|----------------------|----------------------|--------------|
| 1 Gross Salary                                                           |                 |                      |                      |              |
| a) Salary as per provisions contained in Section 17(1) of the Income Act | 30.0            | 9.6                  | 10.8                 | 50.4         |
| b) Value of perquisites u/s 17(2) of the Income tax Act, 1961            |                 |                      |                      |              |
| c) Profits in lieu of salary u/s 17(3) of the Income tax Act             |                 |                      |                      |              |
| 2 Stock option                                                           |                 |                      |                      |              |
| 3 Sweat Equity                                                           |                 |                      |                      |              |
| 4 Commission                                                             |                 |                      |                      |              |
| as % of profit                                                           |                 |                      |                      |              |
| others (specify)                                                         |                 |                      |                      |              |
| 5 Others, please specify                                                 |                 |                      |                      |              |
| <b>Total (A)</b>                                                         | <b>30.0</b>     | <b>9.6</b>           | <b>10.8</b>          | <b>50.4</b>  |
| Ceiling as per the Act                                                   |                 |                      |                      |              |

**B. Remuneration to Independent Directors and Non Executive Directors**

₹ in lakhs

| Particulars                            | Name of the Directors |                        |                   |                      |             |
|----------------------------------------|-----------------------|------------------------|-------------------|----------------------|-------------|
|                                        | Mr.K.Koteswara Rao    | Ms.C.Kamakshi Bharathi | Mr.V.S.Roop Kumar | Mr.B.Srinivasa Reddy | Total       |
| 1 Independent Directors                |                       |                        |                   |                      |             |
| (a) Fee for attending board meetings   | 0.08                  | 0.10                   | 0.08              | 0.10                 | 0.35        |
| (b) Commission                         |                       | -                      | 0.00              |                      | -           |
| (c) Committee Meetings                 |                       | -                      | 0.20              |                      | -           |
| <b>Total (1)</b>                       | <b>0.08</b>           | <b>0.10</b>            | <b>0.08</b>       | <b>0.10</b>          | <b>0.35</b> |
| 2 Other Non Executive Directors        |                       |                        |                   |                      | -           |
| (a) Fee for attending board meetings   | 0.08                  | 0.20                   | 0.15              | 0.20                 | 0.63        |
| (b) Commission                         |                       | -                      |                   |                      | -           |
| (c) Committee Meetings                 |                       | -                      |                   |                      | -           |
| <b>Total (2)</b>                       | <b>0.08</b>           | <b>0.20</b>            | <b>0.15</b>       | <b>0.20</b>          | <b>0.63</b> |
| <b>Total (B)=(1+2)</b>                 | <b>0.15</b>           | <b>0.30</b>            | <b>0.23</b>       | <b>0.30</b>          | <b>0.98</b> |
| <b>Total Sitting Fees</b>              | <b>0.15</b>           | <b>0.30</b>            | <b>0.23</b>       | <b>0.30</b>          | <b>0.98</b> |
| <b>Overall Ceiling as per the Act.</b> |                       |                        |                   |                      | <b>7.40</b> |

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD**

₹ in lakhs

| Particulars                                                                          | Company Secretary | Total       |
|--------------------------------------------------------------------------------------|-------------------|-------------|
| 1 Gross Salary                                                                       |                   |             |
| (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961. | 2.20              | 2.20        |
| (b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961                       | -                 | -           |
| (c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961        | -                 | -           |
| 2 Stock Option                                                                       | -                 | -           |
| 3 Sweat Equity                                                                       | -                 | -           |
| 4 Commission as % of profit                                                          | -                 | -           |
| 5 Others, please specify                                                             | -                 | -           |
| <b>Total</b>                                                                         | <b>2.20</b>       | <b>2.20</b> |

**VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES**

₹ in lakhs

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

## Annexure IV

### FORM NO- MR-3

#### Secretarial Audit Report

#### For the Financial Year Ended 31st March 2019

[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

#### **M/s. Cybermate Infotek Limited**

Plot No-19&20, Moti Valley, Trimulgherry  
Secunderabad – 500 015 . Telangana

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Cybermate Infotek Limited (CIN: L72200TG1994PLC017485)** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company during the financial year 2018-19 and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report my observations on the compliance carried out by the Company during the audit period ended 31st March, 2019 ('Audit Period') with the statutory provisions listed hereunder and also state that the Company has had proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **Cybermate Infotek Limited** for the period ended on 31st March 2019 according to the provisions of:

- i. The Companies Act, 2013 (**the Act**) and the Rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 (**'SCRA'**) and the Rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Byelaws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (**'SEBI Act'**) to the extent applicable to the Company: -
  - 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, 1992 and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (Applicable w.e.f 15-05-2015).
  - 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, 2013 (Not Applicable during the audit period);
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not Applicable during the audit period);

- 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;
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations 2009 (Not Applicable during the audit period) and;
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations 1998 (Not Applicable during the audit period);

**I have also examined compliance with the applicable clauses of the following:**

- i. Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI) as notified from time to time.
- ii. The Listing Agreements entered into by the Company with BSE Limited.
- iii. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. (Applicable i.e. 01-12-2015)

The Company has maintained all books, papers, minutes book, forms and returns, in order, filed with the relevant regulatory authorities pursuant to Companies Act, 2013 and applicable regulations of Securities Exchange Board of India.

**I further report that,** having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test check basis, the Company has complied with the following law applicable specifically to the Company

- a. Information Technology Act, 2000 and the rules made there under.
- b. Software Technology Parks of India rules and regulations

**Based on the Observations/Discussions, I report the following:**

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, 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 and are recorded in the minutes of the meeting of the Board of Directors or Committee of the Board, as the case may be.

During the year, Mr. K. Koteswara Rao was appointed as Non- Independent Director of the Company in its Board Meeting held on 13th August 2018 subsequent to which the Company did not have the required number of Independent Directors on the Board until the appointment of Mr. Suraj Bharadwaj (DIN: 08351558) on the board replacing Dr. D.Jayarami Reddy thereby maintaining a proper balance in composition of Board as at the financial year ended 31st March 2019.

**I further report that** as far as possible, there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**For CAS & Associates**

Sd /-

Sidharth Iyer

ACS No: 26843

CP No: 12161

Place : Hyderabad

Date : 14-08-2019



## Annexure- A

### Annexure to MR 3 Secretarial Audit Report

To

The Members

#### **Cybermate Infotek Limited**

Plot No-19&20, Moti Valley, Trimulgherry, Secunderabad - 500 015 . Telangana .

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

1. Maintenance of Secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I 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. I believe that the processes and practices that, I have followed has provided a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I 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. My 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 CAS & Associates**

Sd /-

Sidharth Iyer

ACS No: 26843

CP No: 12161

Place : Hyderabad

Date : 14-08-2019

## Annexure V

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo.

### a. Conservation of Energy

The rising energy cost has laid great emphasis on conservation of energy. The Company has taken various measures, including regular monitoring of consumption, reduction of losses and improved maintenance to increase the efficiency and reduce power costs. The company uses only LED fixtures so as to reduce the power consumption. The details of energy consumption is as follows

| Particulars                   | 2018-19  | 2017-18  |
|-------------------------------|----------|----------|
| Purchased                     |          |          |
| Units Kwh                     | 45,893   | 29,540   |
| Total Amount (INR)            | 4,66,988 | 3,14,316 |
| Rate per Unit (INR)           | 10.18    | 10.64    |
| Own Generation                |          |          |
| Through Diesel Generator      |          |          |
| Units (Litres)                | 159.0    | 159.0    |
| Units per litre of diesel oil | 3        | 3        |
| Total Costs (INR)             | 17,700   | 10,297   |
| Costs per Unit (INR)          | 64.76    | 64.76    |

### b. Research and Development (R & D)

Research and Development of new products features for existing products are explored continuously during the course of software design and development that enhances productivity to users.

Your company is continuously strengthening its research exposure in application and system development areas. Your company has set up practice units for web-related technologies to build technology platforms and mobile apps.

However, these activities are not in the nature as defined under the Indian Accounting Standard 38 on Intangible Assets.

### c. Technology absorption, adaptation and Innovation

The Company is pleased to report that the company has been able to adapt to emerging technology areas like digitization and IoT.

1. On Digitization the company has been working with partners for enhancing the experience in existing health care platform and logistics platform.
2. In the IoT space, the company has partnered on automobile and home segment technology providers and is contemplating investments for break through in innovative technology areas.
3. The Company is also working with partners on defence and aerospace applications.

## Annexure VI

### CORPORATE GOVERNANCE REPORT

#### The Company's Corporate Governance Philosophy

Corporate Governance is more a way of Business life than a mere legal compulsion. Your Company believes that, though the prime focus of any business entity is on the core objective of earning profits, the same should be aligned with the expectations of stakeholders. In this direction, the Board of Directors of your Company is committed to adopt good corporate governance practice as a part of the corporate culture, a way of its corporate life and a kind of self-disciplinary code. And it is so designed to serve the ultimate goal of making the Company a value driven Organization. Effective corporate governance practices coupled with strong leadership have been the company's plus point.

Your company strictly adheres to the requirements of Listing

Agreement executed with the Stock Exchange. The Securities and Exchange Board of India (SEBI) has notified SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 on September 2, 2015, replacing the earlier listing agreement (w.e.f. December 1, 2015) and is aimed to consolidate and stream the provisions of earlier listing agreements for different segments of Capital market viz equity, debentures, debt instruments, etc.

The corporate governance guidelines help fulfil the responsibility of the board towards the shareholders and also ensure that the board is empowered sufficiently to set up procedures to function and also evaluate the performance of the management.

#### 1. Board of Directors:

**a. Size and Composition of Board:** At Cybermate, the Board of Directors represents Professionalism with directors coming from different background

carrying Knowledge to meet the market demands in our industry segment as gathered with a lot of Experience.

Internal factors contribute a major portion to a good governance practice, this is what your company believes in, and hence the Board being the apex of the company's corporate governance structure is a key factor to ensure highest standards of legal compliances. Their contribution is important to ensure appropriate direction on leadership, vision, strategy, policy making, monitoring and achieving maximum performance. The Board is characterized with Independence, professionalism, transparency in decision making and accountability. As per statutory requirements, Company has duly constituted Board consisting an optimum mix of Executive, Non- Executive and Independent Directors each of whom adds value and brings independent view in the decision-making process.

As on 31st March 2019, the Board comprises 8 Directors among whom Three are promoters and hold Executive directorship, One is a promoter and non-executive director and Four others are Independent directors, one of whom is a Woman Director as required under the Companies Act, 2013. The necessary disclosures regarding Committee positions have been made by all the Directors.

**b. Board Meetings:** The Board of Directors of the company met four times during the financial year 2018-19 at the company's corporate office on 29th May 2018, 13th August 2018, 09th November 2018 and 07th February 2019.

The gap between any two meetings did not exceed one hundred and twenty days.

Composition of the Board and other Directorship/Membership of the committees held as on 31st March 2019 along with Attendance of Board Meeting/AGM during the year are given below:

**Attendance Record 2018-19**

| # | Name of the Director   | Category               | Meetings Attended | Attended Last AGM 24-09-18 |
|---|------------------------|------------------------|-------------------|----------------------------|
| 1 | Mr.P.C.Pantulu         | Promoter & Executive   | 4                 | Y                          |
| 2 | Mr.K.S.Shiva Kumar     | Promoter & Executive   | 4                 | Y                          |
| 3 | Mr.P.Chandra Sekhar    | Promoter & Executive   | 4                 | Y                          |
| 4 | Mr.K.Koteswara Rao     | Promoter & Independent | 3                 | N                          |
| 5 | Ms.C.Kamakshi Bharathi | Independent            | 4                 | Y                          |
| 6 | Mr.V.S.Roop Kumar      | Independent            | 3                 | Y                          |
| 7 | Mr.B.Srinivasa Reddy   | Independent            | 4                 | Y                          |
| 8 | Mr.Suraj Bharadwaj *   | Additional Director    | 1                 | NA                         |

\* Date of Appointment 31st January 2019

**Number of other Directorships, Committee Membership(s) & Chairmanship(s):**

| # | Name                   | DIN      | Other Directorships | Committee Memberships | Chairmans hip |
|---|------------------------|----------|---------------------|-----------------------|---------------|
| 1 | Mr.P.C.Pantulu         | 01583136 | 2                   | 1                     | -             |
| 2 | Mr.K.S.Shiva Kumar     | 02103299 | 1                   | -                     | -             |
| 3 | Mr.P.Chandra Sekhar    | 01647212 | 5                   | -                     | -             |
| 4 | Mr.K.Koteswara Rao     | 06401491 | -                   | 1                     | -             |
| 5 | Ms.C.Kamakshi Bharathi | 07144611 | -                   | 1                     | 1             |
| 6 | Mr.V.S.Roop Kumar      | 05317482 | 1                   | 1                     | 1             |
| 7 | Mr.B.Srinivasa Reddy   | 01384074 | 3                   | 2                     | 1             |
| 8 | Mr.Suraj Bharadwaj *   | 08351558 | -                   | -                     | -             |

\* Appointed as Additional Director with effect from 31st January, 2019

**Term of Office of Directors**

The term of office of the executive directors and independent directors is five years.

However, the following is the term of office of the directors as at 31st March 2019.

| #                              | Name                    | Designation                | DOA      | Upto     |
|--------------------------------|-------------------------|----------------------------|----------|----------|
| <b>Executive Directors</b>     |                         |                            |          |          |
| 1                              | Mr.P.C.Pantulu          | Chairman MD & CEO          | 24th AGM | 25th AGM |
| 2                              | Mr.K.S.Shiva Kumar      | Whole- time Director & COO | 24th AGM | 25th AGM |
| 3                              | Mr.P.Chandra Sekhar     | Whole- Time Director & CFO | 07-09-16 | 07-09-21 |
| <b>Non-Executive Directors</b> |                         |                            |          |          |
| 4                              | Mr.K.Koteswara Rao      | Independent Director       | 25-08-18 | 25-08-21 |
| <b>Independent Directors</b>   |                         |                            |          |          |
| 5                              | Ms.C. Kamakshi Bharathi | Independent Director       | 25-09-18 | 25-08-21 |
| 6                              | Mr.V.S.Roop Kumar       | Independent Director       | 04-04-16 | 04-04-21 |
| 7                              | Mr.B.Srinivasa Reddy    | Independent Director       | 04-04-16 | 04-04-21 |
| 8                              | Mr.Suraj Bharadwaj      | Independent Director       | 31-01-19 | 25th AGM |

**Information placed before the Board**

- Agenda papers along with detailed notes are being circulated in advance of each meeting of the board.
- Corporate Governance Reports
- Quarterly Compliance Reports & Investor Grievance Reports.
- Directors with material pecuniary or business relationship with the company.
- Limited Review Report and Internal Audit Report.
- Quarterly Financial Results Standalone & Consolidated with Notes thereon
- Minutes of the Board Previous Board Meetings.
- Materially important Litigations, demand, show cause, penalty, prosecution notices.
- Operations Review Information i.e. contracts etc.
- Draft Offering circular for FCCB
- Term Sheet for FCCB
- Agency Agreement

**Policy for the Formal Evaluation of the Board:****Objective:**

The Object of this policy is to formulate the procedures and also to prescribe and lay down the criteria to evaluate the performance of the entire Board of the Company.

**Criteria for Evaluation:**

The Nomination and Remuneration Committee has laid down the criteria for evaluation of performance of Independent Directors and also the other directors on the Board.

- Attendance and contribution at Board and Committee meetings.
- His/her stature, appropriate mix of expertise, skills, experience, and understanding of business, strategic direction to align company's value and standards.
- His/her knowledge of finance, accounts, legal, investment, marketing, foreign exchange/hedging, internal controls, risk management, assessment and mitigation, business operations, processes and Corporate Governance.(this criteria is adopted based on the basic qualification and other acquired skills of the individual)
- Effective decisions making ability to respond positively and constructively to implement the same to encourage more transparency.
- Recognize the role which he/she is expected to play, internal Board Relationships to make decisions objectively and collectively in the best interest of the Company so as to achieve organizational successes.
- Quality of decision making in the various business processes, understanding financial statements and business performance.
- His/her ability to monitor the performance of management and satisfy himself with integrity of the financial controls and systems in place by ensuring right level of contact with external stakeholders.
- His/her contribution to enhance overall brand image of the Company.

**Evaluation of the performance:**

The Committee shall evaluate the performance of each Board of Directors of the Company with reference of the authority under the Nomination and Remuneration Policy of the Company and also based on the above mentioned criteria.

Based on the performance evaluation of each and every Director and the Chairman of the Company, the Committee shall provide the ratings based on each criteria and also based on Board member feedback.

**Effectiveness of the board:**

Based on the ratings given by the Nomination & Remuneration Committee to each Director, the overall effectiveness of the Board shall be measured and accordingly the Board shall decide the Appointments, Re-appointments and Removal of the non-performing Directors of the Company.

**2. Audit Committee****A. Scope**

Audit committees are responsible for overseeing the work of the auditors. They also need to ensure that the auditor has an appropriately independent mindset from management and is truly objective. Ultimately, this will enable the audit committee to draw conclusions about the effectiveness of the audit.

The committee establishes procedures for accepting confidential, anonymous concerns

relative to financial reporting and internal control matters. Often referred to as a “whistle-blower policy,” the procedures allow individuals to bring questions and issues to light without fear of retribution. It is the audit committee’s responsibility to create an environment that accommodates an open discussion in a culture of integrity, respect and transparency between management and auditors.

The audit committee is responsible for the appointment, compensation and oversight of the work of the auditor.

#### B. Composition:

Audit Committee comprises 3 Directors with relevant experience in Finance and audit, as follows

|                        |          |
|------------------------|----------|
| Mr.V.S.Roop Kumar      | Chairman |
| Mr.P.Chandra Sekhar    | Member   |
| Ms.C.Kamakshi Bharathi | Member   |

#### C. Meetings:

During the financial year 2018-19, four meetings of the committee were held and attendance to the audit committee meetings is as follows.

| Name of the Director  | Meetings held, attended during the tenure |   |   |   |     |
|-----------------------|-------------------------------------------|---|---|---|-----|
|                       | 1                                         | 2 | 3 | 4 | %   |
| Mr.V.S.Roop Kumar     |                                           |   |   |   | 100 |
| Ms.C.Kamakshi Bharati |                                           |   |   |   | 100 |
| Mr.P.Chandra Sekhar   |                                           |   |   |   | 100 |

Consequent to the appointment of Mr.Suraj Bharadwaj in January 2019, as an additional director, the audit committee is being re-constituted as follows with effect from 27th May 2019

|                        |          |
|------------------------|----------|
| Mr.V.S.Roop Kumar      | Chairman |
| Ms.C.Kamakshi Bharathi | Member   |
| Mr.Suraj Bharadwaj     | Member   |

#### D. Recommendations of Audit Committee

The Audit committee has reviewed the Unaudited/Audited Financial Statements submitted by the Management.

The Management is responsible for the company’s internal control over financial reporting and the financial reporting process.

The independent auditors are responsible for performing an independent audit of the company’s financial statements in accordance with Generally Accepted Auditing Principles and issuing a report thereon. The committee’s responsibility is to monitor these processes.

Upon review of the financial reporting of the company the committee made recommendations with regard to disclosure of the following aspects

- Disclosure on IBC Proceedings, Stay from Supreme Court and present Status of the Litigation
- Search on the premises by the Director General of Goods and Services Tax Intelligence Unit
- Issuance of Foreign Currency Convertible Bonds
- Share Warrant Conversion
- Related Party Transactions

Further the committee has recommended the following to the board

- The Standalone Audited Financial statements for the year ended 31st March 2019
- The Consolidated Audited Financial statements for the year ended 31st March 2019
- Appointment of M/s P.Murali & Co, Chartered Accountants as statutory auditors of the company to audit standalone and consolidated financial statements of the company from the conclusion of the ensuing AGM to the conclusion of the next AGM



- d. The Appointment of M/s CAS and Associates as secretarial auditor for the financial year ending 31st March 2019.

#### **Nomination and Remuneration Committee:**

##### **A. Composition:**

The nomination and remuneration committee comprises three members as follows

|                        |          |
|------------------------|----------|
| Ms.C.Kamakshi Bharathi | Chairman |
| B.Srinivasa Reddy      | Member   |
| Mr.V.S.Roop Kumar      | Member   |

##### **B. Meetings:**

During the financial year under review, three meetings of the committee were held and attendance to the nomination and remuneration committee meetings is as follows.

| Name of the Director  | Meetings held, attended during the tenure |   |   |   |     |
|-----------------------|-------------------------------------------|---|---|---|-----|
|                       | 1                                         | 2 | 3 | 4 | %   |
| Ms.C.Kamakshi Bharati |                                           |   |   |   | 100 |
| Mr.B.Srinivasa Reddy  |                                           |   |   |   | 100 |
| Mr.V.S.Roop Kumar     |                                           |   |   |   | 100 |

The Nomination and remuneration committee screens the profiles of individuals to be nominated on the board as executive directors, non executive directors and independent directors.

The committee also recommends to the board the members to retire by rotation, The Committee also reviews and recommends the compensation of CEO, COO, CFO, senior executives etc.

The nomination committee recommended the re-appointment of Mr.P.C.Pantulu as the Managing Director and CEO for a period of one year from the conclusion of the 24th AGM until the conclusion of the 25th AGM and the same is to be approved as a Special Resolution.

The nomination committee recommended the re-appointment of Mr.K.S.Shiva Kumar, the Director

Operations and COO for a period of one year from the conclusion of the 24th AGM until the conclusion of the 25th AGM and the same is to be approved as a Special Resolution.

The nomination remuneration committee discussed and recommended on the appointment of Mr.Suraj Bharadwaj as an additional director upon considering his profile.

The Company does not have any Employee Stock Option Scheme.

#### **Managerial Remuneration**

The nomination and remuneration committee has reviewed the provisions of Schedule V, Part II , Section II to the Companies Act 2013 on the Remuneration payable by companies having no profits or inadequate profit.

The Committee has clarified that the remuneration payable to the managerial personnel is within the limits prescribed there under.

#### **3. Stakeholders Relationship Committee:**

The Stakeholder's relationship committee reviews and redresses shareholders grievances. The Committee meets at regular intervals in order to facilitate prompt and effective redressal of shareholders complaints to effect transfers, transmissions and give approval for issue of duplicate share certificates/name deletions etc. The company in coordination with the registrar and transfer agents takes all necessary steps for prompt resolution of all shareholder complaints and committee periodically reviews the report of the same.

##### **A. Composition:**

The Stakeholders Relationship committee comprises three independent directors as follows

|                       |          |
|-----------------------|----------|
| Mr. B.Srinivasa Reddy | Chairman |
| Mr.P.C.Pantulu        | Member   |
| Mr.K.Koteswara Rao    | Member   |

Consequent to the appointment of Mr.Suraj Bharadwaj in January 2019, as an additional director, the audit committee is being re-constituted as follows with effect from 27th May 2019

|                       |          |
|-----------------------|----------|
| Mr. B.Srinivasa Reddy | Chairman |
| Mr. K.Koteswara Rao   | Member   |
| Mr.Suraj Bharadwaj    | Member   |

### B. Meetings:

During the financial year 2018-19, the committee has met on three occasions and attendance of the shareholders grievances committee meetings is as follows.

| Name of the Director | Meetings held, attended during the tenure |   |   |   |     |
|----------------------|-------------------------------------------|---|---|---|-----|
|                      | 1                                         | 2 | 3 | 4 | %   |
| Mr.B.Srinivasa Reddy |                                           |   |   |   | 100 |
| Mr.P.C.Pantulu       |                                           |   |   |   | 100 |
| Mr.K.Koteswara Rao   |                                           |   |   |   | 75  |

The Stakeholders relationship committee noted that the no of shares held in physical form as at 31st March 2019 was 5,72,384 shares i.e 0.57 % of the total shares.

The committee has also noted that 14,403 shareholders have not registered their e-mail ids with the Depositories.

The committee has also reviewed the communication and publication of quarterly results etc periodically.

### C. Summary of Grievances:

The company did not receive any valid complaints from shareholders/Investors during the period 1st April 2018 to 31st March 2019.

As on March 31, 2019, there were no pending share transfers.

### 6. Meeting of Independent Directors:

During the year under review, the independent directors met on 09th November 2018, to discuss matters as follows

- Utilisation and Compliances of the Foreign Currency Convertible Bonds
- Allotment of Shares consequent to conversion of Share Warrants
- Litigation before the NCLT
- Compliances with the regulators.
- Other Legal issues.

They have taken note of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

### Code of Conduct:

The Board of Directors of the company has laid down a code of conduct for all its members and senior management personnel of the company. This code of conduct is uploaded on company's website. The directors and senior management have affirmed their compliance with the code of conduct for the financial year 2018-19.

### 7. Details of previous Annual General Meetings and special resolutions passed at such Annual General Meetings:

| Year    | Location                                            | Date     | Time     |
|---------|-----------------------------------------------------|----------|----------|
| 2015-16 | Moksh Banquets, 221, Tivoli Road, Secunderabad TS-3 | 07.09.16 | 10.30 am |
| 2016-17 | Moksh Banquets, 221, Tivoli Road, Secunderabad TS-3 | 11.09.17 | 10.00 am |
| 2017-18 | Moksh Banquets, 221, Tivoli Road, Secunderabad TS-3 | 24.09.18 | 10.00 am |

## 8. Disclosures:

### A. Related Party Transactions:

- a. There were no materially significant related party transactions i.e. transactions of a material nature, with its promoters, directors or the management, their subsidiaries or relatives etc. during the period under review, that may have potential conflict with the interests of the Company at large. Transactions with related parties are disclosed in Note 28 forming part of the Accounts in this Annual Report.
- b. Pursuant to the disclosures received from the Senior Management Personnel of the company to the Board, there were no material, financial and commercial transaction, which could have potential conflict with the interest of the company at large.

### B. Statutory Compliance, Penalties and Strictures:

The following penalties were imposed on the company by BSE Limited during the current year 2018-19

| # | Action taken by                            | Details of violation                                                                                                                                              | Details of action taken<br>E.g. fines, warning letter,<br>debarment, etc. | Observations/ remarks of<br>the Practicing Company<br>Secretary, if any.                                       |
|---|--------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|
| 1 | Bombay Stock Exchange on November 16, 2018 | Delay in filing of Annual Report by 22 days pursuant to Regulation 34 of SEBI (LODR) Regulations, 2015                                                            | Fine Levied on the Company                                                | The Company filed the report subsequently and paid the fine amount to BSE within the prescribed time limit.    |
| 2 | Bombay Stock Exchange on November 9, 2018  | Delay in filing of Statement of Investor Complaint by 4 days pursuant to Regulation 13(3) of SEBI (LODR) Regulations, 2015                                        | Fine Levied on the Company                                                | The Company filed the statement subsequently and paid the fine amount to BSE within the prescribed time limit. |
| 3 | Bombay Stock Exchange on August 16, 2018   | Delay in filing application for listing of 1050000 equity shares allotted pursuant to preferential issue (pursuant to Reg 108(2) of SEBI (ICDR) Regulations, 2009 | Fine Levied on the Company                                                | The Company filed the application with payment of fine amount as issued by the Exchange.                       |

### C. Disclosure relating to Whistle Blower Policy and affirmation that no personnel have been denied access to the audit committee:

In terms of requirements of Clause 4 of the SEBI (LODR) Regulations 2015, the Managing Director (CEO) and Chief Financial Officer (CFO) have made a certification to the board of Directors in the prescribed format, which has been reviewed by the Audit Committee and taken on record by the Board.

### D. Details of Compliance with mandatory requirements and adoption of the non-mandatory requirements:

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

The Company has also adopted Indian Accounting Standards in reporting of quarterly unaudited financial results during each quarter and has also prepared the financial statements for the period ended 31st March 2019 in compliance with the Ind AS.

The Company has also taken note of the amendments to the SEBI(LODR) Regulations 2015 as amended on the 9th May 2018.

Compliance with Non-Mandatory requirements;

- i. The code of Business conduct adopted by the Company provides a mechanism for employees to report to the Management about unethical behaviour, actual or suspected fraud or violation of the Code, Copies of the Code are provided to each employee and also available on the Company's intranet site.
- ii. The Management has clarified on the audit qualification in the Company's financial statement for the twelve-month period ended on March 31, 2019 in the directors' report and the notes to accounts on
  - a. NCLT Order
  - b. Comments in the CARO Report
- iii. There are no adverse comments or observations of the secretarial auditor.

#### 9. Means of Communication

- The Quarterly, half yearly and annual results have been approved by the Board and were intimated to the Stock Exchanges and were published in national newspaper Business Standard and vernacular newspaper Nava Telangana.
- The company's website is periodically updated to include information on new developments and business opportunities of the company.
- The investors can contact on the email id [secretarial@cybermateinfotek.com](mailto:secretarial@cybermateinfotek.com).
- Management Discussion and Analysis Report forms part of Annual Report.
- The company has as per initiatives taken by the ministry of corporate affairs, invited the members to register their email addresses with the company so that all communications/documents including the notice calling the annual general meeting and other general meeting of the members along with the explanatory statement thereto, balance sheets, directors report, auditors report etc can be sent to them in electronic mode.

#### 10. General Shareholder Information:

##### a. Annual General Meeting:

|       |   |                                                                              |
|-------|---|------------------------------------------------------------------------------|
| Date  | : | 16th September 2019                                                          |
| Time  | : | 10.30 a.m.                                                                   |
| Venue | : | Moksh Banquets, 221, Tivoli road,<br>Secunderabad – 500003, Telangana. India |

**b. Financial Calendar** : 01st April to 31st March

**c. Date of Book Closure/Record Date** : 09-09-2019 to 16-09-2019 & 07-09-2019

**d. Listing on Stock Exchanges** : BSE Limited

25th Floor, P.J.Towers, Dalal Street,  
Fort, Mumbai. 400 001

**e. Stock Code** : 532271

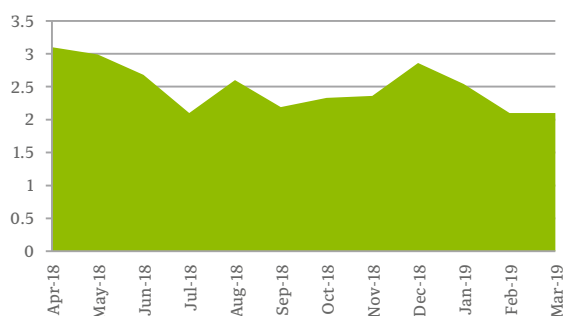
**f. Corporate Identity Number(CIN)** : L72200TG1994PLC017485

**g. Registrar and Share transfer Agent** : Aarthi Consultants (P) Ltd  
1-2-285, Domalguda, Hyderabad-500029.  
Ph:040 27634445/8111/27642217  
Fax No.040-27632184  
Email:Info@aarthiconsultants.com  
url:www.aarthiconsultants.com.

**h. Market price Data:**

High, Low and number of equity shares traded during each month in the year 2018-19 on BSE.

| Month     | High Price (₹) | Low Price (₹) | No. of Shares |
|-----------|----------------|---------------|---------------|
| 01-Apr-18 | 3.10           | 2.25          | 12,39,769     |
| 01-May-18 | 2.99           | 1.85          | 16,84,195     |
| 01-Jun-18 | 2.68           | 1.70          | 6,20,489      |
| 01-Jul-18 | 2.10           | 1.71          | 6,57,028      |
| 01-Aug-18 | 2.60           | 1.84          | 10,07,048     |
| 01-Sep-18 | 2.19           | 1.75          | 8,88,801      |
| 01-Oct-18 | 2.33           | 1.45          | 7,64,763      |
| 01-Nov-18 | 2.36           | 1.92          | 5,91,392      |
| 01-Dec-18 | 2.86           | 1.91          | 7,68,991      |
| 01-Jan-19 | 2.54           | 1.72          | 9,04,820      |
| 01-Feb-19 | 2.10           | 1.65          | 8,39,142      |
| 01-Mar-19 | 2.10           | 1.79          | 6,65,393      |

**i. Performance of the share price of the company on the BSE.****j. Share transfer system:**

Shares held in Physical form i.e share certificates are received at the Registered office of the Company as well as directly at Registrar's Office. All are registered within 15 days from the date of receipt, if the documents submitted are found in order in all respects. The Stakeholders Relationship Committee authorized for approval of share transfers meets at regular intervals as required and the certificates duly endorsed for transfer are returned to shareholders within stipulated time of 30 days.

**k. Shareholding as on 31st March 2019****i. Distribution Schedule as at 31st March 2019**

| Category     | Holders       | %    | Shares             | Amount (₹)          | %    |
|--------------|---------------|------|--------------------|---------------------|------|
| 1-5000       | 19,282        | 85.0 | 1,05,96,545        | 2,11,93,090         | 10.7 |
| 5001-10000   | 1,615         | 7.1  | 63,93,442          | 1,27,86,884         | 6.5  |
| 10001-20000  | 861           | 3.8  | 66,28,352          | 1,32,56,704         | 6.7  |
| 20001-30000  | 275           | 1.2  | 35,24,529          | 70,49,058           | 3.6  |
| 30001-40000  | 168           | 0.7  | 30,50,186          | 61,00,372           | 3.1  |
| 40001-50000  | 104           | 0.5  | 23,86,390          | 47,72,780           | 2.4  |
| 50001-100000 | 206           | 0.9  | 73,81,944          | 1,47,63,888         | 7.5  |
| >100000      | 176           | 0.8  | 5,89,96,853        | 11,79,93,706        | 59.6 |
| <b>Total</b> | <b>22,687</b> |      | <b>9,89,58,241</b> | <b>19,79,16,482</b> |      |

Total Nominal Value Rs. 197916482, Nominal Value of Each Share/unit: Rs.2/-

Total No. of Shares/Units 98958241, Paid up Value per Share per Unit: Rs.2/-

Distinctive No(s) from 01 to 98958241

**ii.. Dematerialization of shares and liquidity:**

| Particulars                         | No of Shares       | capital issued |
|-------------------------------------|--------------------|----------------|
| Held in dematerialized form in CDSL | 3,53,58,174        | 35.73          |
| Held in dematerialized form in NSDL | 6,30,27,683        | 63.69          |
| Physical form                       | 5,72,384           | 0.58           |
| <b>Total</b>                        | <b>9,89,58,241</b> | <b>100</b>     |

**ii. Shareholding Pattern**

| Category                       | No of Shares       | %          |
|--------------------------------|--------------------|------------|
| Promoters                      | 1,88,06,853        | 19.0       |
| Financial Institutions & Banks | 200                | 0.0        |
| FIIIs/FCBs                     | -                  | 0.0        |
| Bodies Corporate               | 18,45,504          | 1.9        |
| NRI's                          | 19,59,604          | 2.0        |
| Overseas Corporate Bodies      | 1,51,16,279        | 15.3       |
| Trusts                         | 600                | 0.0        |
| Clearing Members               | 6,88,359           | 0.7        |
| Resident Individuals           | 6,05,40,842        | 61.2       |
| <b>Total</b>                   | <b>9,89,58,241</b> | <b>100</b> |

#### I. Address for Communication

Shareholders can correspond at the Registered Office of the Company at Secunderabad, addressed to the Company Secretary/Compliance Officer or to the Registrars & Share Transfer Agents, whose address has been mentioned elsewhere in this Report.

#### Other Shareholders related information:

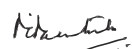
Regulation 39 read with Schedule VI of the SEBI (LODR) Regulations 2015 with respect to Unclaimed Shares

Cybermate Infotek Limited has all its shares claimed by the respective shareholders. Hence, this clause of the listing agreement does not bind the company.

#### Code of Conduct

To uphold corporate philosophy, the Board of Directors of the company has laid down a code of conduct for all the board members and the senior management of the company as per the clause provided in the listing agreement.

I hereby confirm that the directors on board of the company, the senior management officials have provided an affirmation that they have complied with the code of conduct during the financial year 2018-19.



**P.C.Pantulu**

Managing Director  
and Chief Executive Officer  
DIN 01583136



**P. Chandra Sekhar**

Whole-time Director and  
Chief Financial Officer  
DIN 01647212

Place: Hyderabad

Date: 14-08-2019



## Annexure VII

### Management Discussion and Analysis

#### Our Business

Cybermate is a conventional IT Services firm known for its bespoke software services. Our innovative and cost-effective services ensure our customers gain competitive edge and remain on par with cutting edge technologies. Our focus remains on maintaining quality standards in our key deliverables. We ensure to deliver best-of-breed technological solutions to enable our customers to meet their software development requirements. We are a public limited company based in India, and have our registered corporate office at Hyderabad, Telangana. Our company is listed on the Bombay Stock Exchange (BSE).

Our services include, compiling and selling products for general IT use and domain specific solutions. Some of the services we provide are listed below:

- System integration services
- Network & Surveillance
- Product assembling and marketing
- Soft selling third party products
- Assembling business platforms
- Analytics
- Mobile applications
- Cloud-based solutions
- BPO
- Healthcare
- Telecom
- Engineering
- Energy and retail platforms.

We at Cybermate administer projects on web and web-related technologies. Our objective is to bring together business and technology strategies so as to focus on reorienting and refocusing on gaining

ground. We rely on our industry experience and technology expertise to effectively develop products and create next-gen solutions that meet our customers' evolving business challenges. Having faced quite a few challenges due to our conventional approach and services, we have conceptualized to the "Refurbish-Remodel-Revive" model, and the changing technology landscape puts us in a position to seize the opportunity and initiative.

The ways businesses are run differ from country to country and from business to business. When people find new approaches to old problems, create solutions by combining cultural perspectives and learn to see issues from the viewpoint of others, businesses are enhanced. Despite the odds, the Indian economy emerged and was able to accelerate growth out of its own potential. Improved political reforms, reduced trade barriers, and enhanced workforce education, reduction in regulatory burden and business costs have contributed to this emergence.

Mobile innovation has taken over today's emerging technologies and thus remains the centre of huge digital transformation for organizations, both small and big. Digital technology business is outpacing traditional business growth rapidly and this strengthened India's consumer economy and the Indian government's initiative for digitization. We entered the business of smart enterprise through a multitude of digital technologies in order to continue to provide conventional IT products, services and solutions, Internet of Things (IoT), Social, Mobile, Analytics and Cloud (SMAC), Digital and Platform.

#### Overview of the Industry

In FY 2018-19, the global market for software and services is estimated to have grown to \$1.4 trillion. IT Services is estimated to have grown by 3.2% YoY, driven by strong growth in digital engagements, particularly cloud adoption.

Organizations across the globe are undergoing an unprecedented change and transformation in their businesses led by forces such as digital, increasing consumerization of IT, emergence of new platforms such as cloud services and increasing disruptions and competition from new-age companies. Technology access and usage has been largely democratized and mainstreamed. There has been a profound change in how technology is developed, delivered and consumed. Large multinational enterprises are thus reimagining multiple aspects of their business leveraging digital technologies and are engaging global IT services companies who can deliver high quality service on a global scale and at competitive price points. The market is shifting from traditional services to digital technologies, DevOps and as-a-service models. We believe that the IT Services industry has significant growth potential and the next wave of growth will come from digital technologies. According to the Strategic Review 2019 published by NASSCOM (the "NASSCOM Report"), "Digital" continues to drive growth (more than 30% of growth in FY 2019) and now contributes \$33 billion to the overall IT industry in India. Technologies such as industrial automation, robotics, cloud, Internet of things ("IoT"), augmented reality ("AR")/virtual reality ("VR") and blockchain continue to fuel growth. In 2018, there was a 45% increase in as-a-service deals, according to the NASSCOM Report. Cloud platforms are driving growth in managed services for security and data platforms. Digital and automation has moved from point deployments to enterprise-wide adoption. Global IT service providers offer a range of end-to-end software development, digital services, IT business solutions, research and development services, technology infrastructure services, business process services, consulting and related support functions. According to the NASSCOM Report, IT export revenues from India grew by 8.3% to an estimated \$136 billion in fiscal year 2019. The opportunities that exist for the industry are significant..

## **Our Platforms**

### **Internet of Things (IOT)**

In the energy sector Natural gas is fast becoming a dominant source for industry as well as domestic sectors. The distribution, monitoring and regulation of natural gas with present day infrastructure and technology has multiple inefficiencies and breakdown points.

To address the deficiencies, Cybermate has developed an IOT driven smart Meter regulating Station devices for natural gas control, supply and distribution which can provide unprecedented advantages like:

- Complete control over gas supply with instantaneous remote supply cut-off
- Immediate detection of gas leakage and safety warnings with automatic supply cut-off
- Real time gas consumption data and monitoring of gas properties
- Centralized data integration with easy automatic billing
- Easy consumer side access to consumption information, historical trends and easy bill payment
- Effective data integration and protection with legacy SAP platforms for two-way data sharing
- Minimal downtime
- Easy integration.

### **Healthcare Platform ([www.cyber1health.com](http://www.cyber1health.com))**

Electronic Health Records (EHR) is a systematic collection of health records of individuals and patients. We were touched by a true incident that made us foray into the EHR space. An elderly gentleman was admitted into a reputed hospital for treatment. After he was discharged from the

hospital, due to some medical complications he had to go to the hospital's branch in another part of the city. The doctors in this branch insisted that he undergo the same tests conducted in the main hospital recently at the earlier hospital, because neither the patient carried any reports nor the hospital branch had any access to the records. This is where she comes to the rescue, in dealing with such situations. EHR is a repository/longitudinal record which can be accessed anytime, anywhere by the customer with the following highlights:

- Diagnostic reports, prescriptions, discharge summaries and procedure summaries, medical images such as x-ray, MRI scan, CT scan and procedure videos can be stored and accessed electronically
- Entire health history of an individual including data from multiple providers is available
- Web based platform facilitates access to health records irrespective of the hospital from anywhere in the world
- Facilitates telemedicine
- Provides exclusive logins for patients, doctors and insurance companies

We have launched the pilot platform and the response has been encouraging with 10000 active users on board. Smart phone users are expected to grow to 650 million by 2020 there by increasing our scope.

#### **Healthcare Platform ([www.healsoft.in](http://www.healsoft.in))**

An all-in-one hospital management system is what CIL has versioned and built an all inclusive hospital management software system namely "Healsoft". This was to ensure smooth and hassle free hospital management. Our software seamlessly manages all areas of hospital operations. Almost every aspect of this software is customized to enable hospitals to manage all financial, clinical and operational requirements of a hospital/clinic.

- Appointment management
- Inpatient and outpatient management
- Patient records management
- Billing and Invoicing
- Inventory management
- Revenue management
- Pharmacy
- Laboratory
- Human Resources and Financial accounting Etc

HealSoft streamlines the workflow and boosts efficiency by eliminating any possibility of human error, eases information availability through Cloud.

#### **Logistics Platform ([www.bharatcargo.in](http://www.bharatcargo.in))**

Our Logistics platform helps to make the most out of your logistics function by managing them through one technology platform. This all-encompassing platform speeds up system integration, reduces risk and improves efficiency. Logistics is an integral part of operations and we focus on optimizing logistics management with respect to road transportation.

Transport operators can be broadly categorized as below:

- Small Fleet Operators (SFOs) - owning up to five vehicles
- Medium Fleet Operators (MFOs) owning between 6 and 20 vehicles
- Large Fleet Operators (LFOs) owning typically over 20 vehicles

Road cargo is offered as Full Truck Load (FTL) and partial truck load (PTL).

LFOs have long term contracts and are geographically spread to source business. They also have the capability to operate through their own

web presence whereas **SFOs and MFOs** look forward to source customers to optimize cost per trip. Domestic and business customers look out for cargo operators to optimize costs and to arrive quickly. LTL requires a wider reach and adequate infrastructure and hence CIL has a cargo platform.

This platform facilitates the SFO & MFO's interaction with SME, MSME and domestic customers to achieve their goals. In this segment of service, the customers do not hire the entire truck and the LTL service provider aggregates consignments from various clients and sends them across to the desired destination.

#### **Marketplace for arts and crafts (www.indycrafts.in)**

We have built an online one-stop shop for people who love rich Indian heritage handicrafts and handlooms that are unique in their tradition and make. Indycrafts is an extraordinary e-commerce platform where the unique skills are passed down several generations of artisans, so that they will be available to both the connoisseur and the novice for many years. We launched this platform in an effort to boost sales, and to benefit the artisans in more ways than one, such as capacity enhancement, skill development, marketing of their products and employment opportunities to name a few. By doing this the small entrepreneurs are encouraged and the natural corollary to such developments would be innovation.

In order to enhance our service offerings, our strategy focuses on bringing in concepts of automation, analytics, improving productivity with higher accuracy and to reduce costs to customers. We continue to leverage the advantage of open source technologies in providing innovative and cost-effective performance solutions.

#### **Risk Management**

Great achievements involve great risk! Hence, in order to succeed you have to take risks. Risk Management is an enterprise wide function backed by a qualified team of specialists with deep understanding of frameworks and methodologies for assessing and mitigating risks. Being mindful of our customers and investors, our company has classified risks in to some major categories.

##### **Major Risks:**

- Strategic risks arise from taking poor business decisions like substandard execution, poor resource allocation, failure to respond to changes in any given business environment.
- Operational risks are the losses resulting from failed procedures, systems or policies like employee errors, system failures, fraud or criminal activity.
- Financial risks pertain to a firm unable to meet its financial obligations. Regulatory risk is the potential material impact because of a change in laws and regulations.
- Human Capital risks pertain to potential risks related with managing human resources incorrectly.

#### **Risk Assessment**

Risk assessment is basically the identification of hazards that could possibly impact an organization, which doubts the ability to conduct business. Identifying these potential risks and providing measures, processes and controls to reduce the impact of these risks to business is risk assessment. In other words, risk identification, risk analysis, risk evaluation and risk control are the approaches we take.

The risks that the management reviews include:

- Technology Obsolescence Risk-By keeping abreast with market demands and customer

expectations, your company averts technology obsolescence by timely investment in new technology, keeping pace with updates in technology, training its resources accordingly and by not being reliant on any one technology or platform.

- **Human Resource Risk-** Our Company maintains a resource pool by recruiting the best talents across the country, imparting training and honing knowledge and skills, creating quality work environment and providing opportunities and challenges for growth. A transparent performance based incentive system ensures motivation and prevention of brain drain from the company.
- **International Exposure Risk-** Thorough understanding of compliance of local laws and
  - the possibility of regulatory, visa and tax complications of different countries mitigates risks by engaging specialists and professional agencies with expertise in the areas of concern.
- **Foreign Currencies Risk-** Economic volatility across the globe, fluctuations in major currencies and cross currency movements have a strong bearing on India's IT industry as most of its market is overseas. As a preventive measure, your company enters into forward cover for predictable inward remittances in order to minimize risks associated with foreign currency rate fluctuations.
- **Information Security and Disaster Recovery-** As per the European Union's (EU) General Data Protection Regulation (GDPR), consumers will be in charge of their online data. In addition to all the internal compliance issues, there a lot of amendments that needs to be done to the contracts to reflect GDPR standards. We are a law abiding organization and totally comply with GDPR standards and ensure the data privacy of both our vendors and clients.

The other risks CIL examines are as follows:

- **Credit Risk** includes creditworthiness; risk in settlement of dues by clients and provisions for doubtful and bad debts.
- **Legal Risk** includes Contract risk; Contractual liability; Frauds; Judicial Risk and Insurance risk

#### **Our Risk Management Framework (RMF)**

Our Risk Management Framework (RMF) allows for striking the right balance between taking risks and reducing them, because it results in adding value to the organization. An effective risk management framework seeks to protect an organization's capital base and profits without hindering the growth of the organization. In other words, it's about managing uncertainty and creating an environment with fewer surprises.

The RMF approach...

- A stable and structured approach to identifying and managing risks.
- Anticipation of a consistent approach to identifying, rating, mitigating, managing and monitoring risks.
- Taking good management decisions and deploying risk management policies and procedures across the board.
- An environment where the staff understands the importance of RMF and making sure to adhere to risk management policies and procedures.
- Auditing and approving risk management framework and practices of the company.
- Implementing the prescribed risk mitigation actions.
- Reporting and reviewing risk events and incidents in a timely manner.

Provision of relevant and timely information across, regular audits, provision of feedback to management, and ensuring the quality and processes are in place and are effective.

#### **Advantages of Risk management**

Risk identification is critical to effectively manage a crisis situation. It points to all the risks involved well ahead of time without any assumptions. It helps in opportunity risks so as to be aware of the forthcoming issues. It focuses on the tasks which help on assisting the impact of business or projects. It basically is the greatest advantage of dealing with the problems that are finalized with more possible solutions.

#### **Disadvantages of Risk management**

Managing risks results in some waste of time which may create barriers to compensate the projects. Most of the time is spent on the research and development of the allocated issues than to on managing projects.

## **II. Financial /operational performance:**

**The Company has adopted Indian Accounting Standards (Ind AS) from current financial year in the preparation and presentation of Financial Statements.**

### **Sources of Funds**

#### **1. Reserves and Surplus**

The Company's Reserves and Surplus as on 31st March 2019 were INR 76.55 Lakhs as against INR 7.84 Lakhs as on 31st March 2018

These Reserves include a share premium of Rs.1.94 Cr on account of issuance of share warrants at a premium.

#### **2. Property Plant and Equipment**

During the year there are no additions to Tangible Fixed Assets or Intangible Fixed Assets of company

### **3. Investments in Subsidiaries**

**CIL Inc :** The operations of the US Subsidiary remained dormant during the current period. Hence there is no addition either to the turnover, expenditure, assets and liabilities to the consolidated financial statements.

**Cybermate International Unipessoal LDA :** During the year the company has incorporated a Wholly Owned Subsidiary at Portugal for marketing its health care and Logistics Platforms in the Europe and African regions. The company has not commenced operations as at 31st March and hence there is no turnover or profit to be consolidated in the financial statements.

### **4. Deferred taxes – Assets and Liabilities**

The Company has Deferred Tax Asset (Net) amounting to Rs. 16.60 Lakhs as against a liability of 53.59 Lakhs in previous year, attributable to difference between depreciation as per companies act 2013 and Income Tax Act

### **5.Trade Receivables**

The position of outstanding debtors was

|                          | ₹ in lakhs     |                |
|--------------------------|----------------|----------------|
|                          | As at 31-03-19 | As at 31-03-18 |
| Considered Good          | 3,143          | 3,988          |
| Considered Doubtful      | -              | -              |
| Allowances for Loss      | -              | -              |
| <b>Total Receivables</b> | <b>3,143</b>   | <b>3,988</b>   |

### **6.Inventories**

The Company does not have any inventories as at 31st March 2016.

### **7.Cash and Cash Equivalents**

The balance of cash and cash equivalents as at the beginning of the year was Rs. 13.28 Lakhs.

The closing balance of Cash and Cash Equivalents is Rs. 147.35 Lakhs held as cash, balances in current account and in deposit accounts and reconciliation elements.



## 8. Trade Payables and Other Current Liabilities

Trade payables at the beginning of the year were at Rs.1054.40 Lakhs and at the end of the year were Rs. 252.46 Lakhs.

Other Current Liabilities include an amount of Rs.557.72 Lakhs as Advances from Directors and Related Parties, Accrued Salaries.

## 9. Provisions and Income Tax Liability

Provisions include an amount of Rs.86.28 Lakhs towards outstanding expenses and Income Tax Liability of past period amounting to Rs.72.17 Lakhs

## I. Results of Operations

**Income :** Revenues for the year include sale of Software Products, software development and IT Enabled Services. There has been a significant increase in the revenues of the company over the previous year.

**Expenditure :** During the year the employee benefit expenses have increased due to the IT consulting activity which has been the revenue component for the year.

Increase in Professional consultancy fee is linear to the revenues.

Interest on Loans is not provided for as the lender has invoked SARFAESI proceedings.

**Depreciation and Amortisation :** Depreciation on Tangible and Intangible assets was provided for the full year.

**Other Income- Net :** Other income of the company includes Dividend income from investment in Shares of Listed Companies.

**Net Profit :** The Company had earned a net profit of Rs. 380. 96 Lakhs as against Rs. 232.20 Lakhs in the previous year.

**EPS after Exceptions :** EPS for the year was Rs. 0.47 as against 0.32 in the previous year.

**Liquidity :** Liquidity has improved during the current year owing to increased turnover and

infusion of funds by way of Preferential Allotment of Equity Share Warrants to Promoters/Promoter Group and Investors.

**Related Party Transactions :** Transactions with related parties have been made at an arms length basis and hence are not prejudicial to the interest of the company.

These have been discussed in detail in Note no 28 to the standalone financial statements in this Annual report.

## II. Opportunities and Threats

### Our Strengths

We have positioned ourselves as a custom built application development company suiting the requirements of mid and emerging companies.

### Our strengths include:

- **Product development** – We have invested time and effort in enhancing our domain expertise in health care, telecom, engineering, energy, logistics and retail segments. We have been able to quickly adopt to the emerging developments in trade practices and enabling new features to our products to keep our customers ahead of their expectations.
- **End to End Offerings** – Our end to end business solutions include transaction processing, data management, integration with third party tools and applications, independent testing and validation , network and surveillance, IT Support and Analytics.
- **Relationships**: We have long standing relationships with mid sized companies and Government Business Units and are quite seasoned in their processes which enable us seek repeat business. Our track record delivering quality solutions help us strengthen these relationships over time.



- **Quality and Process Execution:** Our clients have always been appreciative of our process implementation procedures and documentation which helps us maintain a healthy relationship and achieve business value.

### Our Strategy

We are exploring opportunities to build strategic partnership with start ups to create innovative solutions in emerging technology space. We also intend to create platforms on analytics, big data, IT infrastructure and Business process outsourcing capabilities apart from strengthening our core product offerings across domains. We wish to make significant investments in these partnerships, our acquisitions to build capabilities to deliver emerging mobile and digital technology solutions.

### Our Competition

We compete with small and midsize companies in Government and large corporations in application development, maintenance and business process outsourcing segments.

### III. Outlook, Risks & Concerns

- Our revenue and expenses are difficult to predict and can vary significantly from period to period.
- Our success largely depend upon retaining skilled technology professionals and our ability to hire, motivate and retain them.
- We are a company in mid segment space and may not be providing adequate confidence to companies / customers for long term contracts.
- We may not be able to sustain the working capital cycles.
- Our liquidity may not keep us comfortable to stay in the race in case of long sale cycles.
- We may be unable to recoup investments made in developing our software products.
- Our success depends on our management team and key personnel and our ability to attract and retain them.
- Our failures to complete fixed price and fixed time frame contracts or transaction based pricing contracts within budget and on time may adversely affect our profitability.
- We may not be able to provide end to end business solutions for our clients which could lead to clients discontinuing their work with us which in turn could impact our business.

### IV. Internal Control Systems and their adequacies

The CEO and CFO certification provided in the Annual report discusses the adequacy of our internal control systems and procedures.

### V. Material Developments in Human Resources / industrial relations , number of people employed.

**Human Capital :** As at March 31st 2019, the company employed about 165 employees which include software engineers, trainees , process executives and administration.

**Recruitment :** We have built our software programming skill set by recruiting new graduates from different Engineering colleges and IT training institutes.

We have recruited process executives from Government aided foundations and aided consultancies.

We have in place a robust process which includes aptitude tests and interviews followed by a technology task approach in screening our programmers.

**Training and development :** CIL has always been conducting on the job training programmes on technology , business process , quality and presentation skills to mould its resources into techno commercial resources.

**Compensation and Benefits :** CIL has always been a mid-sized company attracting trainees to build their capabilities. CIL has always been facing challenges to retain its talent from large corporations which offer packages linked to performance and E- SOPs. In order to address this challenge, CIL has in this year proposed a resolution to implement E-SOPs to retain its talent.

#### **Risk Management Framework:**

In today's economic environment, Risk Management is a very important part of business. The main aim of risk management is to identify, monitor and take precautionary measures in respect of the events that may pose risks for the business. Your Company's Board believes that to ensure sustainable business growth with stability of affairs and operations of the Company, periodical review of various risks having a bearing on the business and operations is vital to proactively manage uncertainty and changes in the internal and external environment to limit negative impacts and capitalize on opportunities. Further, it is also belief of your management that Risk Management Framework enables a systematic approach to risk identification, leverage of any opportunities and provides treatment strategies to manage, transfer and avoid or minimize the impact of the risks.

Keeping in view of the above, your Company's risk management is embedded in the continuous business processes and as a part of review of business and operations, your Board with the help of the management periodically reviews various risks associated with the business and products of the Company and considers appropriate risk mitigation process. However there are certain risks

which cannot be avoided but the impact can only be minimized.

The risks and concerns associated with each segment of your company's business are discussed while reviewing segment-wise Management and Discussion Analysis. The other risks that the management reviews also include:

- a. **Industry & Services Risk:** this includes Economic risks like demand and supply chain, Profitability, Gestation period etc.; Services risk like infrastructure facilities;  
  
Market risk like consumer preferences and distribution channel etc.; Business dynamics like inflation/deflation etc.; Competition risks like cost effectiveness
- b. **Management and Operational Risk:** this includes Risks to Property; Clear and well defined work process; changes in technology / upgradation; R&D Risks; Agency network Risks; Personnel & labour turnover Risk; Environmental and Pollution Control Regulations etc.; Locational benefits near metros
- c. **Market Risk:** this includes Raw Material rates; Quantities, quality, suppliers, lead time, interest rates risk and forex risk.
- d. **Political Risk:** this includes Elections; War risk; Country/Area Risk; Insurance risk like Fire, strikes, riots and civil commotion, marine risk, cargo risk etc.; Fiscal/Monetary Policy Risk including Taxation risk.
- e. **Credit Risk:** this includes Creditworthiness; Risk in settlement of dues by clients and Provisions for doubtful and bad debts.
- f. **Liquidity Risk:** this includes risks like Financial solvency and liquidity; Borrowing limits, delays; Cash/Reserve management risks and Tax risks.

- g. Disaster Risk this includes Natural calamities like fires, floods, earthquakes etc.; Manmade risk factors arising under the Factories Act, Mines Act etc.; Risk of failure of effective disaster Management plans formulated by the Company.
- h. System Risk this includes System capacities; System reliability; Obsolescence risk; Data Integrity risk & Co-ordination and Interface risk.
- I. Legal Risk: this includes Contract risk; Contractual liability; Frauds; Judicial Risk and Insurance risk.
- j. Government Policy: This includes Exemptions, import licenses, income tax and sales tax holidays, subsidies, tax benefits etc.

## Annexure VIII

### CEO and CFO Certification

The Board of Directors  
Cybermate Infotek Limited  
Secunderabad.

Dear members of the Board,

We, P.C. Pantulu, Managing Director & CEO, and P. Chandra Sekhar, Director & CFO, responsible for the finance function certify that :

1. We have reviewed the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement, all the notes on accounts and the Boards Report.
2. These statements do not contain any materially untrue statement or omit to state any material fact or contain statements that might be misleading;
3. The financial statements and other financial information present a true and fair view of the Company's affairs, the Company's financial condition, results of operations, cash flows of the company for the period ended 31st March 2019 are in compliance with existing Accounting Standards, applicable laws and regulations.
4. To the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March 2019 are fraudulent, illegal or violative of the Company's code of conduct except as disclosed to the Company's auditors and the Company's audit committee of the Board of Directors.
5. We are responsible for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
6. We have indicated to the auditors and the audit committee of the board of directors
  - a. Significant changes in internal control over financial reporting during the year under
  - b. Significant changes in accounting policies during the year that the same have been disclosed in notes to the financial statements and
  - c. 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.

  
**P.C. Pantulu**

Managing Director and  
Chief Executive Officer  
DIN 01583136

  
**P. Chandra Sekhar**

Whole-time Director and  
Chief Financial Officer  
DIN 01647212

Place: Hyderabad  
Date: 14-08-2019

## Annexure IX

### Certificate on Corporate Governance

To  
The Members  
M/s Cybermate Infotek Limited  
Plot No.19 & 20, Moti Valley  
Trimulgherry,  
Secunderabad – 500 015  
Telangana

I have examined the compliance of conditions of Corporate Governance by Cybermate Infotek Limited (CIN:172200TG1994PLC017485) (the Company) for the year ended 31st March 2019, as stipulated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing and Regulations”) for the period April 01, 2018 to March 31, 2019.

The compliance of conditions of Corporate Governance is the responsibility of the management. My examinations has been limited to a review of the procedures and implementations thereof, adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance as stipulated in the said clause. It is neither an audit not an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me and based on the representations made by the Directors and the Management, I certify that the Company has complied with conditions of Corporate Governance as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable.

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

**For CAS & Associates**

Sd /-

Sidharth Iyer

ACS No: 26843

CP No: 12161

Place: Hyderabad

Date: 14-08-2019







11

Standalone  
Financial  
Statements

## INDEPENDENT AUDITOR'S REPORT

To the Members of **CYBERMATE INFOTEK LIMITED**

**Report on the Standalone Ind AS Financial Statements**

### Opinion

We have audited the accompanying Standalone Ind AS financial statements of **CYBERMATE INFOTEK LIMITED** ("the Company"), which comprises the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (Including other Comprehensive Income), Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information. (Hereinafter referred to as "Standalone Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013("the Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India including Ind AS of the financial position of the Company as at March 31, 2019, and its Profit including other comprehensive income, its cash flow and changes in the equity for the year ended on that date.

### Basis for Opinion

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

### Key Audit Matters

#### Issue of Foreign Currency Convertible Bonds (FCCB)

The company has issued FCCB of US\$ 1,05,00,000 ,1% coupon Foreign Currency convertible Bond's due upon completion of Five years from the date of issue . The bonds will bear interest at the rate 1% per annum, from the Interest Commencement date up to the date prior to the date of maturity.

### Auditor's Response

#### Principal Audit Procedures

The recognition of FCCB in Books of Accounts as per "Ind AS 109- Financial Instruments" and "Ind AS 32- Financial Instruments : Presentation " involves Professional Judgment relating to determination of repayment and convertible obligations over the tenure of FCCB's.

Refer Note No.33 in Notes to Standalone Financial Statements.

Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 "Revenue from Contracts with Customers" (new revenue accounting standard)

The application of the new revenue accounting standard involves certain key judgments relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized over a period. Additionally, new revenue accounting standard contains disclosures which involves collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.

#### **Auditor's Response:**

##### **Principal Audit Procedures**

We assessed the Company's process to identify the impact of adoption of the new revenue accounting standard.

Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows:

- Evaluated the design of internal controls relating to implementation of the new revenue accounting standard.
- Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, reperformance and inspection of evidence in respect of operation of these controls.
- Tested the relevant information technology systems' access and change management controls relating to contracts and related information used in recording and disclosing revenue in accordance with the new revenue accounting standard.
- Selected a sample of continuing and new contracts and performed the following procedures:
  - Read, analysed and identified the distinct performance obligations in these contracts.
  - Compared these performance obligations with that identified and recorded by the Company.
  - Considered the terms of the contracts to determine the transaction price including any variable consideration to verify the transaction price used to compute revenue and to test the basis of estimation of the variable consideration.
- Samples in respect of revenue recorded for time and material contracts were tested using a combination of approved time sheets including customer acceptances, subsequent invoicing and historical trend of collections and disputes.
- Sample of revenues disaggregated by type and service offerings was tested with the performance obligations specified in the underlying contracts.
- In respect of samples relating to fixed-price contracts, progress towards satisfaction of performance obligation used to compute recorded revenue was verified with actual and estimated efforts from the time recording and budgeting systems. We also tested the access and change management controls relating to these systems.
- Sample of revenues disaggregated by type and service offerings was tested with the performance obligations specified in the underlying contracts.

- Performed analytical procedures for reasonableness of revenues disclosed by type and service offerings.
- We reviewed the collation of information and the logic of the report generated from the budgeting system used to prepare the disclosure relating to the periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date
- Evaluation of uncertain tax positions

The Company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes.

#### **Auditor's Response:**

##### **Principal Audit Procedures**

Obtained details of completed tax assessments and demands for the year ended March 31, 2019 from management. We involved our internal experts to challenge the management's underlying assumptions in estimating the tax provision and the possible outcome of the disputes. Our internal experts also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions. Additionally, we considered the effect of new information in respect of uncertain tax positions as at April 1, 2018 to evaluate whether any change was required to management's position on these uncertainties.

##### **Emphasis of Matter**

M/s Wincere Inc (the Company) & Himanshu P Kansara has filed petition u/s 7 of IBC 2016, against the Company at the Honorable NCLT Hyderabad bench. The Honorable NCLT passed the order by admitting the petition and appointed Resolution Professional.

However the same has been granted Stay by the Honorable Supreme Court.

#### **Information Other than the Ind AS Financial Statements and Auditor's Report thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Ind AS financial statements and our auditor's report thereon.

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

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

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

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation of these Standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance (including the other comprehensive income), cash flows and Statement of Changes in Equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rules issued there under. This

responsibility includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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; design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

#### **Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material

- misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they

could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the Standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(I) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to



draw attention in our auditor's report to the related disclosures in the Standalone Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Standalone Ind AS financial statements, including the disclosures, and whether the Standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

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

1. 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.
2. As required by Section 143(3) of the Act, we further 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 purpose of our audit.
  - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

- d. In our opinion, the aforesaid Standalone Ind AS financial statements comply with the applicable Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued there under.
- e. On the basis of written representations received from the directors as on March 31, 2019, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019, from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'; and
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - I. The Company has pending litigations which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For P.Murali & Co**  
Chartered Accountants,  
Firm's Regn.No: 007257S



**P. Murali Mohana Rao**  
Partner  
Membership No.023412

Place: Hyderabad  
Date: 27-05-2019.



**Annexure A to the Auditor's Report**

**Annexure referred to in paragraph 1 of Our Report of even date to the members of CYBERMATE INFOTEK LIMITED on the accounts of the company for the year ended 31st March, 2019 Under "Report on other Legal & Regulatory Requirements"**

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
- (b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain 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) According to the information and explanations given to us and on the basis of our examination of records of the Company, the company is not holding any immovable property, hence this clause is not applicable to the company.
- ii. The company has no Inventory. Accordingly, the provisions of this clause are not applicable to the Company.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, and Limited Liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said order are not applicable to the company.
- iv. The Company has not granted any loans or provided any guarantee or security to the parties covered under section 185 of the Act. In respect of the Investments made by the Company, the provisions of section 186 of The Companies Act, 2013 have been complied with.
- v. The Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013 and rules framed there under to the extent notified.
- vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of The Companies Act, 2013.
- vii. (a) The Company has not been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Goods and Service Tax and other material statutory dues applicable to it with the appropriate authorities.
- (b) There were undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.

| # | Name of the statute                                 | Nature of the Dues | Amount (₹) | Period to which the amount relates | Date of Payment           |
|---|-----------------------------------------------------|--------------------|------------|------------------------------------|---------------------------|
| 1 | Telangana Profession Act                            | Profession Tax     | 2,81,832   | 2018-19                            | Amount not paid till date |
| 2 | Employees Provident Fund & Misc Provisions Act 1952 | Provident Fund     | 10,72,723  | 2018-19                            | Amount not paid till date |
| 3 | Income Tax Act, 1961                                | TDS                | 19,57,444  | 2018-19                            | Amount not paid till date |

- (c) According to the information and explanations given to us and the records of the Company examined by us, the particulars of Income tax as at 31 March 2019 which have not been deposited on account of a dispute, are as follows:

| # | Name of the statute  | Nature of the Dues | Amount (₹)  | Period to which the amount relates | Forum where the dispute is pending |
|---|----------------------|--------------------|-------------|------------------------------------|------------------------------------|
| 1 | Income Tax Act, 1961 | Income Tax         | 6,40,88,348 | A.Y. 2009-10                       | CIT (A)                            |
| 2 | Income Tax Act, 1961 | Income Tax         | 1,70,34,842 | A.Y. 2011-12                       | CIT(A)                             |
| 3 | Income Tax Act, 1961 | Income Tax         | 2,76,63,700 | A.Y. 2012-13                       | CIT (A)                            |
| 4 | Income Tax Act, 1961 | Income Tax         | 3,83,56,680 | A.Y. 2013-14                       | ITAT(Appeals)                      |

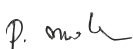
- viii. In our opinion and according to information and explanations given to us, the Company has not defaulted in repayment of any loans taken from Banks or Financial Institutions or Government and has not issued any debentures during the year under consideration.
- ix. The Company has issued 1% Foreign currency convertible bonds amounting to Rs 68,25,00,000 and have been utilized for the purpose for which they have been raised .
- x. According to the information and explanations given to us, no material fraud by the company or on the company by its officers or employees has been noticed or reported during the course of our Audit.
- xi. The company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 of Companies Act 2013.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it; the Provisions of clause 3(xii) of the order are not applicable to the company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Accounting standard (AS) 18, related party disclosures specified under section 133 of the Act, read with relevant rules issued there under.
- xiv. (a) According to the information and explanations given by the management, the company has made preferential allotment during the year.
- (b) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of Sections 62 of the companies Act 2013 in respect of preferential allotment of shares.

- (c) Amount raised by way of Preferential allotment was solely utilized for the purpose for which amount was raised. Details of Preferential Allotment are given below:

| # | Name of Allottee          | No. of Shares allotted | Total Amount paid (₹) | Total Amount outstanding on calls |
|---|---------------------------|------------------------|-----------------------|-----------------------------------|
| 1 | SamalaSubba Reddy         | 6,00,000               | 26,40,000             | 0                                 |
| 2 | SamalaPrabhavathi         | 6,00,000               | 26,40,000             | 0                                 |
| 3 | PinnelliAnantaramamma     | 4,50,000               | 19,80,000             | 0                                 |
| 4 | MallavarapuJayarami Reddy | 6,00,000               | 26,40,000             | 0                                 |

- xv. The Company has not entered into non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under section 45-IA of The Reserve Bank of India Act 1934. Accordingly, the provisions of clause 3(xvi) of the order are not applicable to the Company.

**For P.Murali & Co,**  
Chartered Accountants,  
Firm Registration No: 007257S.



**P. Murali Mohana Rao**

Partner  
M.No:023412

Place: Hyderabad

Date: 27-05-2019

**Annexure B to the Independent Auditor's Report****Report on the Internal Financial Controls under clause (i) of the Sub-section 3 of the Section 143 of the Companies Act, 2013 ('The Act')**

We have audited the internal financial controls over financial reporting of **M/s.CYBERMATE INFOTEK LIMITED** ('the Company') as of March 31, 2019 in conjunction with our audit of 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.

**Auditor's 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 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. These Standards and 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 judgment, including the assessment of the risk of material misstatement of the 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 control 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 these 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 Standalone Ind AS 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 Standalone Ind AS financial statements.

#### **Inherent Limitation of Internal Financial Controls over Financial Reporting**

Because of the inherent limitation 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, 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, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute Of Chartered Accountants of India.

**For P.Murali & Co,**  
Chartered Accountants,  
Firm Registration No: 007257S.

  
**P. Murali Mohana Rao**  
Partner  
M.No:023412

Place: Hyderabad

Date: 27-05-2019

## Balance Sheet as at March 31, 2019

| Particulars                                   | Notes | As At 31.03.19<br>(₹) | As At 31.03.18<br>(₹) |
|-----------------------------------------------|-------|-----------------------|-----------------------|
| <b>I. ASSETS :</b>                            |       |                       |                       |
| <b>1. Non Current Assets:</b>                 |       |                       |                       |
| a) Property, Plant and Equipment              | 2     | 36,18,476             | 1,96,44,845           |
| b) Capital Work in Progress                   |       | -                     | -                     |
| c) Investment Property                        |       | -                     | -                     |
| d) Goodwill                                   |       | -                     | -                     |
| e) Other Intangible assets                    | 3     | 1,35,212              | -                     |
| f) Intangible assets under development        |       | -                     | -                     |
| g) Biological Assets other than bearer plants |       | -                     | -                     |
| h) Financial Assets                           |       | -                     | -                     |
| i) Investments                                | 4     | 68,27,17,500          | 2,17,500              |
| ii) Trade receivables                         |       | -                     | -                     |
| iii) Loans                                    |       | -                     | -                     |
| i) Deferred Tax Asset (net)                   | 5     | 21,00,442             | 16,60,014             |
| j) Other Non Current Assets                   |       | -                     | -                     |
| <b>Total Non-Current Assets</b>               |       | <b>68,85,71,630</b>   | <b>2,15,22,359</b>    |
| <b>2. Current Assets:</b>                     |       |                       |                       |
| a) Inventories                                |       | -                     | -                     |
| b) Financial Assets                           |       | -                     | -                     |
| i) Investments                                | 6     | 32,554                | 32,554                |
| ii) Trade Receivables                         | 7     | 43,30,77,508          | 31,43,15,138          |
| iii) Cash and Cash Equivalents                | 8     | 83,10,456             | 1,47,35,171           |
| iv) Bank balances other than(iii)             |       | -                     | -                     |
| v) Loans                                      |       | -                     | -                     |
| vi) Others (to be specified)                  | 9     | 12,08,395             | 11,05,359             |
| c) Current Tax Assets (Net)                   |       | -                     | -                     |
| d) Other Current Assets                       | 10    | 2,88,52,280           | 3,47,27,829           |
| <b>Total Current Assets</b>                   |       | <b>47,14,81,192</b>   | <b>36,49,16,052</b>   |
| <b>TOTAL ASSETS</b>                           |       | <b>1,16,00,52,823</b> | <b>38,64,38,410</b>   |
| <b>II. EQUITY AND LIABILITIES:</b>            |       |                       |                       |
| <b>Equity</b>                                 |       |                       |                       |
| a) Equity Share Capital                       | 11    | 19,79,16,482          | 16,10,83,924          |
| b) Other Equity                               | 12    | 76,54,87,817          | 7,83,80,198           |
| <b>Total Equity</b>                           |       | <b>96,34,04,299</b>   | <b>23,94,64,122</b>   |
| <b>Liabilities</b>                            |       |                       |                       |
| <b>1. Non Current Liabilities:</b>            |       |                       |                       |
| a) Financial Liabilities                      |       |                       |                       |
| i) Borrowings                                 |       |                       |                       |
| ii) Trade payables                            |       |                       |                       |
| iii) Other Financial Liabilities              | 13    | 3,36,97,805           | -                     |
| b) Provisions                                 |       |                       |                       |
| c) Deferred Tax Liabilities (Net)             | 14    | -                     | -                     |
| d) Other Non Current Liabilities              |       | -                     | -                     |
| <b>Total Non-Current Liabilities</b>          |       | <b>3,36,97,805</b>    | <b>-</b>              |
| <b>2. Current Liabilities:</b>                |       |                       |                       |
| a) Financial Liabilities                      |       |                       |                       |
| i) Borrowings                                 |       |                       |                       |
| ii) Trade payables                            | 15    | 2,69,38,528           | 2,52,46,303           |
| iii) Other Financial Liabilities              | 16    | 4,54,81,082           | 5,57,72,788           |
| b) Other Current Liabilities                  | 17    | 5,58,29,627           | 5,01,09,452           |
| c) Provisions                                 | 18    | 1,50,76,666           | 86,28,549             |
| d) Current Tax Liabilities (Net)              | 19    | 1,96,24,816           | 72,17,197             |
| <b>Total Current Liabilities</b>              |       | <b>16,29,50,719</b>   | <b>14,69,74,289</b>   |
| <b>TOTAL EQUITY &amp; LIABILITIES</b>         |       | <b>1,16,00,52,823</b> | <b>38,64,38,410</b>   |

Summary of significant accounting policies

1

The accompanying notes 1-24 are integral part of financial statements

For: P.Murali & Co.,  
Firm Regn. No. 007257S  
Chartered Accountants

  
P. Murali Mohana Rao  
Partner  
Membership No. 023412

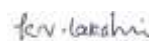
Place: Hyderabad  
Date : 27-05-2019

For and on behalf of the Board  
For Cybermate Infotek Limited

  
P.C Pantulu  
Managing Director  
DIN 01583136

  
P. Chandra Sekhar  
Director  
DIN 01647212

  
K.S. Shiva Kumar  
Director  
DIN 02103299

  
K. Venkata Lakshmi  
Company Secretary  
M.No A 21091



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

| Particulars                                                                       | Notes | As At 31.03.19<br>(₹) | As At 31.03.18<br>(₹) |
|-----------------------------------------------------------------------------------|-------|-----------------------|-----------------------|
| <b>INCOME</b>                                                                     |       |                       |                       |
| Revenue from Operations                                                           | 20    | 60,44,47,546          | 1,04,67,38,186        |
| Other Income, net                                                                 | 21    | 3,68,70,891           | 1,06,639              |
| <b>Total Income</b>                                                               |       | <b>64,13,18,437</b>   | <b>1,04,68,44,825</b> |
| <b>EXPENSES</b>                                                                   |       |                       |                       |
| Cost of materials consumed                                                        |       |                       |                       |
| Purchases of Licenses for Software Applications                                   |       | -                     | 4,67,271              |
| Changes in inventory of finished goods, Stock-in-Trade and WIP                    |       |                       |                       |
| Employee benefits expense                                                         | 22    | 48,95,48,023          | 58,38,09,053          |
| Finance costs                                                                     | 23    | 1,25,54,299           | -                     |
| Depreciation and amortization expenses                                            | 2&3   | 14,93,447             | 77,18,329             |
| Other expenses                                                                    | 24    | 6,36,89,368           | 42,37,73,017          |
| <b>Total Expenses</b>                                                             |       | <b>56,72,85,137</b>   | <b>1,01,57,67,671</b> |
| <b>PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS &amp; TAX</b>                           |       | <b>7,40,33,301</b>    | <b>3,10,77,155</b>    |
| Exceptional Items                                                                 |       |                       |                       |
| <b>PROFIT/(LOSS) BEFORE TAX</b>                                                   |       |                       |                       |
| <b>TAX EXPENSES:</b>                                                              |       |                       |                       |
| Current Tax                                                                       |       | 1,24,07,619           | -                     |
| Deferred Tax                                                                      | 5     | 4,40,429              | (70,19,586)           |
| <b>Profit (Loss) for the period from continuing operations</b>                    |       | <b>6,20,66,110</b>    | <b>3,80,96,741</b>    |
| <b>Profit/(loss) from discontinued operations</b>                                 |       |                       |                       |
| <b>Tax expenses of discontinued operations</b>                                    |       |                       |                       |
| <b>Profit/(loss) from Discontinued operations (after tax)</b>                     |       |                       |                       |
| <b>PROFIT/(LOSS) FOR THE PERIOD</b>                                               |       | <b>6,20,66,110</b>    | <b>3,80,96,741</b>    |
| <b>Other Comprehensive Income</b>                                                 |       |                       |                       |
| A. (i) Items that will not be reclassified to profit or loss                      |       | -                     | -                     |
| (ii) Income tax relating to items that will not be reclassified to profit or loss |       | 61,84,84,067          | -                     |
| B. (i) Items that will be reclassified to profit or loss                          |       | -                     | -                     |
| (ii) Income tax relating to items that will be reclassified to profit or loss     |       | -                     | -                     |
| <b>Total Comprehensive Income for the period (XIII+XIV)</b>                       |       | <b>68,05,50,177</b>   | <b>3,80,96,741</b>    |
| <b>Comprising Profit (Loss) and OCI for the period</b>                            |       |                       |                       |
| <b>EARNINGS PER EQUITY SHARE (for continuing operation)</b>                       |       |                       |                       |
| Equity shares of par value Rs.Each                                                |       |                       |                       |
| a) Basic (Rs.)                                                                    |       | 0.70                  | 0.47                  |
| b) Diluted (Rs.)                                                                  |       | 0.15                  | 0.47                  |

1

Summary of significant accounting policies

The accompanying notes 1-24 are integral part of financial statements

For. P.Murali & Co.,  
Firm Regn. No. 007257S  
Chartered Accountants



P. Murali Mohana Rao  
Partner  
Membership No. 023412

Place: Hyderabad  
Date : 27-05-2019

For and on behalf of the Board  
For Cybermate Infotek Limited



P.C Pantulu  
Managing Director  
DIN 01583136



P.Chandra Sekhar  
Director  
DIN 01647212



K.S.Shiva Kumar  
Director  
DIN 02103299



K.Venkata Lakshmi  
Company Secretary  
M.No A 21091

## Statement of Changes In Equity for the Year Ended 31st March, 2019

in ₹

| Particulars                                                              | Equity share capital | Other Equity               |                   |                 |                |                                      |                                  |                         |                    | Total Equity attributable to equity holders of the company |
|--------------------------------------------------------------------------|----------------------|----------------------------|-------------------|-----------------|----------------|--------------------------------------|----------------------------------|-------------------------|--------------------|------------------------------------------------------------|
|                                                                          |                      | Reserves & Surplus         |                   |                 |                |                                      | Other Comprehensive Income (OCI) |                         |                    |                                                            |
|                                                                          |                      | Securities Premium Reserve | Retained Earnings | General reserve | Share Warrants | Business transfer adjustment reserve | Equity Instruments through OCI   | Cash Flow hedge reserve | Other items of OCI |                                                            |
| Balance as at 01-04-2017                                                 | 14,48,83,924         | -                          | 1,63,85,672       | -               | -              | -                                    | -                                | -                       | -                  | 1,63,85,672                                                |
| Changes in equity for year ended 31-03-19                                | -                    | -                          | -                 | -               | -              | -                                    | -                                | -                       | -                  | -                                                          |
| Inc. in share capital on account of fresh issue                          | 1,62,00,000          | 1,94,40,000                | -                 | -               | -              | -                                    | -                                | -                       | -                  | 1,94,40,000                                                |
| Issue of Share Warrants                                                  |                      |                            |                   |                 | 36,30,000      | -                                    |                                  | -                       | -                  | 36,30,000                                                  |
| Remeasurement of net defined benefit liability /asset, net of tax effect |                      |                            |                   |                 |                | -                                    |                                  | -                       | -                  | -                                                          |
| Fair Valuation of investments, net of tax effect                         |                      |                            |                   |                 |                | -                                    |                                  | -                       | -                  | -                                                          |
| Equity Instruments through other comprehensive income, net of tax effect |                      |                            |                   |                 |                | -                                    | 1,427                            | -                       | -                  | 1,427                                                      |
| Reversal of Provision                                                    |                      |                            | 8,26,358          |                 |                | -                                    |                                  | -                       | -                  | 8,26,358                                                   |
| Profit for the Period                                                    |                      |                            | 3,80,96,740       |                 |                | -                                    |                                  | -                       | -                  | 3,80,96,740                                                |
| Balance as at 31-03-2018                                                 | 16,10,83,924         | 1,94,40,000                | 5,53,08,771       | -               | 36,30,000      | -                                    | 1,427                            | -                       | -                  | 7,83,80,198                                                |
| Balance as at 01-04-2018                                                 | 16,10,83,924         | 1,94,40,000                | 5,53,08,771       | -               | 36,30,000      | -                                    | 1,427                            | -                       | -                  | 7,83,80,198                                                |
| Changes in equity for year ended 31-03-18                                |                      |                            |                   |                 |                | -                                    |                                  | -                       | -                  | -                                                          |
| Inc. in share capital on account of fresh issue / Conversion of FCCB     | 3,02,32,558          | 22,67,442                  |                   |                 |                |                                      |                                  |                         |                    | 22,67,442                                                  |
| Issue of Share Warrants                                                  | 66,00,000            | 79,20,000                  |                   |                 |                |                                      |                                  |                         |                    | 79,20,000                                                  |
| Remeasurement of net defined benefit liability /asset, net of tax effect |                      |                            |                   |                 |                |                                      |                                  |                         |                    | -                                                          |
| Fair Valuation of investments, net of tax effect                         |                      |                            |                   |                 |                |                                      |                                  |                         |                    | -                                                          |
| Equity Instruments through OCI, net of tax effect                        |                      |                            |                   |                 |                |                                      | 61,84,84,067                     |                         |                    | 61,84,84,067                                               |
| Reversal of Provision                                                    |                      |                            |                   |                 |                |                                      |                                  |                         |                    | -                                                          |
| Profit for the Period                                                    |                      |                            | 6,20,66,110       |                 |                |                                      |                                  |                         |                    | 6,20,66,110                                                |
| Balance as at 31-03-2019                                                 | 19,79,16,482         | 2,96,27,442                | 11,73,74,881      | -               | -              | -                                    | 61,84,85,494                     | -                       | -                  | 76,54,87,817                                               |

For: P.Murali & Co.,  
Firm Regn. No. 007257S  
Chartered Accountants

  
P. Murali Mohana Rao  
Partner  
Membership No. 023412

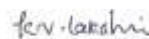
Place: Hyderabad  
Date : 27-05-2019

For and on behalf of the Board  
For Cybermate Infotek Limited

  
P.C Pantulu  
Managing Director  
DIN 01583136

  
P. Chandra Sekhar  
Director  
DIN 01647212

  
K.S. Shiva Kumar  
Director  
DIN 02103299

  
K. Venkata Lakshmi  
Company Secretary  
M.No A 21091

## Cash Flow Statement for the year ended 31st March 2019

| Particulars                                                           | As At 31.03.19<br>(₹) | As At 31.03.18<br>(₹) |
|-----------------------------------------------------------------------|-----------------------|-----------------------|
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>                        |                       |                       |
| Profit before taxation                                                | 7,40,33,301           | 3,10,77,154           |
| Adjustments for : -                                                   |                       |                       |
| Depreciation                                                          | 14,93,447             | 77,18,329             |
| Interest Expense                                                      | 1,25,54,299           | -                     |
| Amortisation of Product Development Cost                              |                       | -                     |
| Diminution in value of investment                                     |                       | -                     |
| Impairment of Intangible Asset                                        |                       | -                     |
| Interest Income                                                       | (7,056)               | -                     |
| Dividend Income                                                       |                       | (591)                 |
| Bad Debts Written Off                                                 |                       | -                     |
| <b>Operating Profit before working capital changes</b>                | <b>8,80,73,991</b>    | <b>3,87,94,892</b>    |
| (Increase) / Decrease in Income Tax Liability                         |                       | 8,44,45,409           |
| (Increase) / Decrease in Trade Receivables                            | (11,87,62,370)        | (97,61,606)           |
| (Increase) / Decrease in Other Current Assets                         | 58,75,549             | (8,01,94,155)         |
| Increase / (Decrease) in Trade Payables                               | 16,92,225             | (5,30,82,883)         |
| Increase / (Decrease) in Other Current Liabilities                    | (45,71,529)           | (56,98,093)           |
| Increase / (Decrease) in Short Term Provisions                        | 64,48,117             |                       |
| <b>Cash generated from Operations</b>                                 | <b>(2,12,44,017)</b>  | <b>(2,54,96,436)</b>  |
| <b>Taxes Paid</b>                                                     |                       | <b>8,26,358</b>       |
| <b>Net Cash Generated from Operating activities (A)</b>               | <b>(2,12,44,017)</b>  | <b>(2,46,70,078)</b>  |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>                       |                       |                       |
| Purchase of tangible/intangible assets (net)                          | (13,46,431)           | (7,48,074)            |
| including transfer from CWIP                                          |                       |                       |
| Sale of Fixed Assets                                                  | 1,57,44,142           |                       |
| Decrease in Capital Work In Progress                                  |                       |                       |
| Interest Income                                                       |                       | 591                   |
| Dividend Income                                                       |                       |                       |
| (Increase) in Current Investments                                     | (1,03,036)            | 1,00,000              |
| (Decrease) in Non Current Investments                                 | (68,25,00,000)        |                       |
| (Decrease) in Other Non Current Asset                                 | 3,36,97,805           |                       |
| <b>Net Cash Flow from Investing Activities (B)</b>                    | <b>(63,45,07,520)</b> | <b>(6,47,483)</b>     |
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>                       |                       |                       |
| Issue of Share Capital                                                | 3,68,32,558           | 3,92,70,000           |
| Capital                                                               | 62,50,41,509          |                       |
| Increase in Short Term Borrowings                                     |                       | (5,45,413)            |
| Interest Paid                                                         | (1,25,47,245)         |                       |
| Increase in Long Term liabilities                                     |                       |                       |
| <b>Net Cash from Financing Activities (C)</b>                         | <b>64,93,26,822</b>   | <b>3,87,24,587</b>    |
| <b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b> | <b>(64,24,715)</b>    | <b>1,34,07,027</b>    |
| Cash & Cash Equivalents at the beginning of the year                  | 1,47,35,171           | 13,28,144             |
| <b>Cash &amp; Cash Equivalents at the end of the year</b>             | <b>83,10,456</b>      | <b>1,47,35,171</b>    |

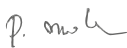
### Notes

1. The Cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) Statement of Cash Flows.
2. The accompanying notes are an integral part of the financial statements.
3. Previous year figures have been regrouped /reclassified to conform to current year classification.

## 4. Cash and Cash Equivalents Comprise

| Particulars                                         | As At 31.03.19<br>(₹) | As At 31.03.18<br>(₹) |
|-----------------------------------------------------|-----------------------|-----------------------|
| Cash on hand                                        | 3,540                 | 1,638                 |
| Balances with Banks on Current and Deposit Accounts | 83,06,916             | 1,47,33,534           |
| <b>Total</b>                                        | <b>83,10,456</b>      | <b>1,47,35,171</b>    |

For. P.Murali & Co.,  
Firm Regn. No. 007257S  
Chartered Accountants

  
P. Murali Mohana Rao  
Partner  
Membership No. 023412

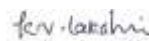
Place: Hyderabad  
Date : 27-05-2019

For and on behalf of the Board  
For Cybermate Infotek Limited

  
P.C Pantulu  
Managing Director  
DIN 01583136

  
P. Chandra Sekhar  
Director  
DIN 01647212

  
K.S. Shiva Kumar  
Director  
DIN 02103299

  
K. Venkata Lakshmi  
Company Secretary  
M.No A 21091

**Note 1:****Significant Accounting Policies****1. Corporate Information**

Cybermate is a Mid-Sized IT Services Company engaged in custom built software development, System Integration Services, Network & Surveillance, building and selling own Products, reselling third party products, business platforms, analytics, social media, mobile applications, cloud based solutions and outsourced business processes etc. Cybermate has over the years built and sold products for general IT use and domain specific solutions for Health Care, Telecom, Engineering, Energy and Retail. Cybermate is a public limited Company incorporated in India and has its registered and corporate office at Hyderabad, Telangana. The Company is listed on BSE Limited.

**2. Summary of Significant Accounting Policies****a. Compliance with Ind AS**

The Company has adopted Indian Accounting Standards (the "Ind AS") prescribed under Section-133 of the Companies Act, 2013 (the "Act"), read with the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standard) (Amendment) Rules, 2016, with effect from 1st April, 2017 with 1st April, 2016 as the date of transition. Accordingly, the Financial Statements have been prepared in accordance with the said Ind AS & Rules and other recognised accounting practices & policies to the extent applicable. For all periods up to and including the year ended 31st March, 2017, the Company had prepared its Financial Statements in accordance with accounting standards as prescribed under Section 133 of the Companies Act, 2013 (the "Act") read with Rule-7 of the Companies (Accounts) Rules, 2014 (referred to as "Indian GAAP"). The Company has

consistently applied the accounting policies used in the preparation of its opening Ind AS Balance Sheet at April, 2016 throughout all periods presented, as if these policies had always been in effect and are covered by Ind AS 101 "First-time adoption of Indian Accounting Standards". The transition was carried out from accounting principles generally accepted in India ("Indian GAAP") which is considered as the previous GAAP as defined in Ind AS 101.

The preparation of Financial Statements in conformity with Indian Accounting Standards (Ind AS) requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures at the date of the Financial Statements. The judgements, estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision effects only that period or in the period of the revision and future periods if the revision affects both current and future years and if material, their effects are disclosed in the notes to the Financial Statements. Actual results could vary from these estimates (Refer Note No.3 on critical accounting estimates, assumption and judgements).

**b. Basis of Preparation of Financial Statements:****i. Historical cost convention**

These Financial Statements have been prepared under the historical cost convention on the actual basis.

The Financial Statements are presented in Indian Rupees (\*) which is the Company's functional and presentation currency and all amounts are rounded to the nearest rupee except as otherwise stated.

**iii. Current versus Non-Current Classification:**

All assets and liabilities have been classified as current or non-current as per the Company's

operating cycle and other criteria set out in the schedule III to the Companies Act 2013. Based on the nature of products and services and their realisation in cash and cash equivalents the Company has ascertained its operating cycle as 12 months for the purpose of current – noncurrent classification of assets and liabilities.

### **c. Property, Plant & Equipment:**

#### **i. Recognition and measurement**

Property, Plant & Equipment are stated at cost less accumulated depreciation and impairment losses, if any.

Costs include costs of acquisitions or constructions including incidental expenses thereto, borrowing costs and other attributable costs of bringing the asset to its working condition for its intended use and are net of available duty/tax credits.

Subsequent expenditure relating to Property, Plant & Equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance costs are recognised in Statement of Profit & Loss as incurred.

Gains or losses arising from discard/sale of Property, Plant & Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of Profit & Loss when the asset is discarded/sold.

#### **Depreciation**

The Company depreciates property plant and equipment on straight-line-method (SLM) as per the useful life of assets, as estimated by the management/independent professional, which are generally in line with Schedule-II to the Companies Act, 2013.

### **d. Intangible Assets:**

#### **i. Recognition and Measurement**

Intangible assets acquired separately are measured on initial recognition at cost. Subsequent to initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. In case of internally generated intangible asset arising from development activity is recognised at cost only if it's probable that the asset would generate future economic benefit and the expenditure attributable to said assets during its development can be measured reliably. Capital expenditure on purchase and development of identifiable on monetary assets without physical substance is recognised as Intangible Assets when:

It is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the cost of the asset can be measure reliably

#### **Depreciation**

The Company Amortises/Depreciates Intangible Assets on the basis of estimated useful lives of Intangible assets are as follows:

#### **Software acquired**

| Particulars      | Useful life |
|------------------|-------------|
| Software License | 2 years     |

#### **Impairment:**

The carrying amount of Property, Plant & Equipment, Intangible Assets and Investment Property are reviewed at each Balance Sheet date to assets impairment, if any based on internal/external factors. An asset is treated as impaired when the carrying cost of asset or exceeds its recoverable value being higher of value in use and net selling price. An impairment loss is

recognised as an expense in the Statement of Profit & Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed, if there has been an improvement in recoverable amount.

#### **Foreign Currency Transactions:**

##### **i. Functional and Presentation currency:**

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ("functional Currency"). The financial Statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

##### **ii. Transactions and Balances:**

Transactions in foreign currencies are translated into functional currency of the Company at rates prevailing at the date of the transaction. Foreign exchange gain or losses resulting from the settlement of such transactions and from translation of monetary assets and liabilities denominated in foreign currencies at the year-end exchange rates are generally recognised in Profit & Loss and reported with in Foreign exchange gain/(losses), except when deferred in other comprehensive income as qualifying cashflow hedges.

Non-monetary items that are measured in times of historical cost in a foreign currency are translated using the exchange rates at the dates of the transaction. Non-monetary items (other than investment in shares of Subsidiaries, Joint Ventures and Associates) carried at Fair Value that are denominated in foreign currencies are translated at the exchange rates prevailing at the date when the Fair Value was determined. Exchange component of the gain or loss arising on fair valuation of non-monetary items is recognised in line with the gain or loss of the item that gave rise to such exchange difference.

##### **g. Revenue Recognition:**

The Company derives revenue primarily from software development, maintenance of software/hardware and allied services, sale of software licenses.

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of trade allowances, rebates, discounts and value added taxes.

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

The Company estimates its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

##### **i. Time and Material Contracts**

Revenues and costs relating to time and materials contracts are recognized as the related services are rendered.

##### **ii. Fixed-price contracts:**

Revenues from fixed-price contracts, including IT Infrastructure development and integration contracts are recognized using the "percentage of completion" method. Percentage of completion is determined based on efforts or costs incurred to date as a percentage of total estimated efforts or costs required to complete the project. The efforts or cost expended are used to measure progress towards completion as there is a direct relationship between input and productivity. If the Company does not have a sufficient basis to measure the progress of completion or to estimate the total contract revenues and costs, revenue is recognized only to the extent of contract cost incurred for which recoverability is probable.



When total cost estimates exceed revenues in an arrangement, the estimated losses are recognized in the statement of income in the period in which such losses become probable based on the current contract estimates.

Advance payments received from customers for which no services have been rendered are presented as 'Advance from customers.

### **iii. Services contracts:**

Revenue from maintenance contracts is recognized ratably over the period of the contract using the percentage of completion method. When services are performed through an indefinite number of repetitive acts over a specified period of time, revenue is recognized on a straight-line basis over the specified period unless some other method better represents the stage of completion. In certain projects, a fixed quantum of service or output units is agreed at a fixed price for a fixed term. In such contracts, revenue is recognized with respect to the actual output achieved till date as a percentage of total contractual output. Any residual service unutilized by the customer is recognized as revenue on completion of the term.

### **iv. Sale of licenses:**

Revenue from sale of licenses and support are recognized when the significant risks and rewards of ownership have been transferred to the buyer, continuing managerial involvement usually associated with ownership and effective control have ceased, the amount of revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Company and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

### **Other Income**

Profit on Sale of investments is recorded on transfer of title from the Company and is determined as the difference between the sale price and the carrying amount of the investment.

Dividend income is recognized when the Company's right to receive dividend is established

Interest income on time deposits is recognized using time proportion basis taking into account the amount outstanding and applicable interest rates.

### **h. Income Tax:**

Income Tax comprises current and deferred tax.

**Current tax** is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India and tax laws, prevailing in the respective tax, jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

The Company offsets current tax assets and current tax liabilities, where it has legally enforceable right to set off the recognised amounts and where it intends to settle on net basis, or to realise the asset and liability simultaneously.

**Deferred tax** is provided on temporary difference arising between the tax bases of assets & liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax is measured using the tax rate that are expected to apply in the year when the asset is realized, or the liability is settled based on the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred tax relating to items recognized directly in equity/other comprehensive income (OCI) is recognised in equity/ other comprehensive income (OCI) and not in the statement of Profit & Loss. Deferred tax asset is

recognised to the extent that it is probable that sufficient future taxable profit will be available against which the deductible temporary differences and the carry forward unused tax credits and unused tax losses can be utilized. The carrying amount of deferred 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 tax asset to be utilized.

**Minimum Alternate 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.

#### **Provisions, Contingent Liabilities, Commitments and Contingent**

**Assets:** Provisions are recognised for present obligations of uncertain timing or amount arising as a result of a past event where a reliable estimate can be made, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

Where it is not probable that an outflow of resources embodying economic benefits will be required or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability and commitments, unless the probability of outflow of resources embodying economic benefits is remote. Contingent assets are not recognised but disclosed in the Financial Statements when an inflow of economic benefits is probable.

#### **j. Earnings per Share:**

Basic earnings per share is computed using the net profit/(loss) for the year (without taking impact of OCI) attributable to the equity shareholders and weighted average number of shares outstanding during the year. The weighted average numbers of shares also include fixed number of equity shares that are issuable on conversion of compulsorily convertible preference shares, debentures or any

other instrument, from the date consideration is received (generally the date of their issue) of such instruments. The diluted EPS is calculated on the same basis as basic EPS after adjusting for the effect of potential dilutive equity shares unless impact is anti-dilutive.

#### **k. Segment Reporting:**

In accordance with the requirement of AS-17 on Segment reporting, the Company has determined its business segment as Computer Programming Consultancy and related services. There are no other primary reportable segments. Thus the segment revenue, segment result, total carrying amount of segment liabilities, total cost incurred to acquire segment assets, the total amount of charge for depreciation during the year are all reflected in the financial statement of the Company for the year ended 31st March 2018.

There are no secondary reportable segments (Geographical Segments).

#### **i. Financial Instruments:**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### **i. Initial Recognition:**

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or release of financial assets and financial liabilities respectively, which are not at fair value through profit or loss are added to the fair value of underlying financial assets and liabilities on initial recognition. Trade receivables and trade payables that do not contain a significant financing component are initially measured at their transaction price.

**ii. Subsequent Measurement:**

(a) Non-derivative financial instruments - Financial assets carried at amortised cost.

A financial asset is subsequently measured at amortised cost which is held with objective to hold the asset in order to collect contractual cashflows and the contractual terms of the financial asset give rise on specified dates to cashflows that are solely payments of principal and interest on the principal amount outstanding.

**iii. Financial asset at fair value through other comprehensive income:**

A financial asset is subsequently measured at fair value through other comprehensive income which is held with objective to achieve both collecting contractual cashflows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has made an election for its investments which are classified as equity instruments (other than investment in shares of Subsidiaries, Joint Ventures and Associates) to present the subsequent changes in fair value through profit and loss account.

**iv. Financial assets at fair value through profit or loss:** A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss. The Company has elected to measure its investments, which are classified as equity instruments (other than investment in shares of Subsidiaries, Joint Ventures and Associates) at fair value through profit and loss account.

**Financial Liabilities:**

Financial liabilities are subsequently carried at amortized cost using the effective interest method. Financial liabilities at fair value through profit and loss includes financial liability held for trading and

financial liability designated upon initial recognition as at fair value through profit and loss.

**m. Investment in Subsidiaries, Associates and Joint Ventures:**

Investment in equity shares of subsidiaries, associates and joint ventures is carried at cost in the standalone financial statements.

**n. Earnings per share :**

The basic earnings per share is computed by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share and also the weighted average number of equity shares which would have been issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period unless they have been issued at a later date.

**o. Employee Benefits:**

Contributions to Provident and Employee State Insurance etc accruing during the accounting period are charged to the statement of Profit and Loss. Provision for liabilities in respect of gratuity are accrued and provided at the end of each accounting period. Gratuity liability towards existing eligible employees will be met by the fund administered by LIC.

**Critical Accounting – Estimates, Assumptions and Judgements:****i. Property, Plant & Equipment:**

External advisor and/or internal technical team assesses the remaining useful life and residual value of property, plant & equipment. Management believes that the assigned useful lives and residual values are reasonable.

**ii. Intangibles:**

Internal technical and user team assess the remaining useful lives of intangible assets. Management believes that assigned useful lives are reasonable. All intangibles are carried at net book value on transition.

**iii. Other Estimates:**

The Company estimates the un-collectability of accounts receivables by analysing historical payment patterns, customer concentrations, customer creditworthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required. Similarly, the Company provides for inventory obsolescence, excess inventory and inventories with carrying values in excess of net realizable value based on assessment of the future demand, market conditions and specific inventory management, initiatives. In all cases, inventory is carried at the lower of historical cost and net realizable value.

## Note 2 : Property, Plant & Equipment

The changes in the carrying value of Property, Plant and Equipment for the year ended March 31,2019  
in ₹

| Particulars                               | Buildings   | Electrical Equipment | Office Equipment | Computer Equipment | Furniture and Fixtures | Total       |
|-------------------------------------------|-------------|----------------------|------------------|--------------------|------------------------|-------------|
| Gross Carrying Value as of 01-04-2018     | 2,41,31,497 | 58,30,011            | 18,86,453        | 1,42,02,144        | 1,24,67,764            | 5,85,17,868 |
| Additions                                 |             | 24,480               | 1,97,845         | 4,18,661           | 5,32,173               | 11,73,159   |
| Deductions                                | 2,41,31,497 |                      |                  |                    |                        | 2,41,31,497 |
| Gross Carrying Value as of 31-03-2019     | -           | 58,54,491            | 20,84,298        | 1,46,20,805        | 1,29,99,936            | 3,55,59,531 |
| Additions                                 |             |                      |                  |                    |                        | -           |
| Deductions                                |             |                      |                  |                    |                        | -           |
| Accumulated depreciation as of 01-04-2018 | 83,87,355   | 55,05,098            | 17,77,014        | 1,34,41,494        | 97,62,062              | 3,88,73,023 |
| Depreciation                              |             | 35,655               | 44,710           | 88,853             | 12,86,169              | 14,55,387   |
| Accumulated depreciation on deletions     | 83,87,355   |                      |                  |                    |                        | 83,87,355   |
| Accumulated depreciation as of 31-03-2019 | -           | 55,40,753            | 18,21,724        | 1,35,30,347        | 1,10,48,231            | 3,19,41,055 |
| Carrying Value as of 31-03-2019           | -           | 3,13,738             | 2,62,574         | 10,90,458          | 19,51,706              | 36,18,476   |
| Carrying Value as of 01-04-2018           | 1,57,44,142 | 3,24,913             | 1,09,439         | 7,60,650           | 27,05,702              | 1,96,44,845 |

The changes in the carrying value of Property, Plant and Equipment for the year ended March 31,2018  
in ₹

| Particulars                               | Buildings   | Electrical Equipment | Office Equipment | Computer Equipment | Furniture and Fixtures | Total       |
|-------------------------------------------|-------------|----------------------|------------------|--------------------|------------------------|-------------|
| Gross Carrying Value as of 01-04-2017     | 2,41,31,497 | 56,45,629            | 18,86,453        | 1,40,00,458        | 1,21,05,757            | 5,77,69,794 |
| Additions                                 |             | 1,84,382             |                  | 2,01,686           | 3,62,006               | 7,48,074    |
| Deductions                                |             |                      |                  |                    |                        | -           |
| Gross Carrying Value as of 31-03-2018     | 2,41,31,497 | 58,30,011            | 18,86,453        | 1,42,02,144        | 1,24,67,763            | 5,85,17,868 |
| Additions                                 |             |                      |                  |                    |                        | -           |
| Deductions                                |             |                      |                  |                    |                        | -           |
| Accumulated depreciation as of 01-04-2017 | 80,09,925   | 52,23,238            | 17,77,014        | 1,33,91,773        | 94,96,988              | 3,78,98,938 |
| Depreciation                              | 3,77,430    | 2,81,860             | -                | 49,721             | 2,65,074               | 9,74,085    |
| Accumulated depreciation on deletions     |             |                      |                  |                    |                        | -           |
| Accumulated depreciation as of 31-03-2018 | 83,87,355   | 55,05,098            | 17,77,014        | 1,34,41,494        | 97,62,062              | 3,88,73,023 |
| Carrying Value as of 31-03-2018           | 1,57,44,142 | 3,24,913             | 1,09,439         | 7,60,650           | 27,05,701              | 1,96,44,845 |
| Carrying Value as of 01-04-2017           | 1,61,21,572 | 4,22,391             | 1,09,439         | 6,08,685           | 26,08,769              | 1,98,70,856 |

## Note 3 : Intangible Assets

The Changes in the Carrying Value of acquired intangible assets for the year ended March 31, 2019 are as follows:

| Particulars                               | Total (in ₹) |
|-------------------------------------------|--------------|
| Gross carrying value as of 01-04-2018     | 38,46,58,457 |
| Additions                                 | 1,73,272     |
| Deletions                                 |              |
| Gross carrying value as of 31-03-2019     | 38,48,31,729 |
| Accumulated amortisation as of 01-04-2018 | 38,46,58,457 |
| Amortisation expenses                     | 38,060       |
| Deletions                                 |              |
| Accumulated amortisation as of 31-03-2019 | 38,46,96,517 |
| Carrying value as of 31-03-2019           | 1,35,212     |
| Carrying value as of 31-03-2018           | 1,73,272     |

The Changes in the Carrying Value of acquired intangible assets for the year ended March 31, 2018 are as follows:

| Particulars                               | Total (in ₹) |
|-------------------------------------------|--------------|
| Gross carrying value as of 01-04-2017     | 38,46,58,457 |
| Additions                                 |              |
| Deletions                                 |              |
| Gross carrying value as of 31-03-2018     | 38,46,58,457 |
| Accumulated amortisation as of 01-04-2017 | 37,79,14,213 |
| Amortisation expenses                     | 67,44,244    |
| Deletions                                 |              |
| Accumulated amortisation as of 31-03-2018 | 38,46,58,457 |
| Carrying value as of 31-03-2018           | -            |
| Carrying value as of 31-03-2017           | 67,44,244    |

**Note 4 : Financial Investments**

| Particulars                                               | As At 31.03.19<br>(₹) | As At 31.03.18<br>(₹) |
|-----------------------------------------------------------|-----------------------|-----------------------|
| Investment in Non Current Investments                     |                       |                       |
| by the Subsidiary Cybermate International, Unipessol, LDA | 2,17,500              | 2,17,500              |
| Healthcare Infotek, Togo                                  | 68,25,00,000          | -                     |
| <b>Total Non Current Investments</b>                      | <b>68,27,17,500</b>   | <b>2,17,500</b>       |

**Note 5 : Deferred Tax Asset**

| Particulars                                  | As At 31.03.19<br>(₹) | As At 31.03.18<br>(₹) |
|----------------------------------------------|-----------------------|-----------------------|
| Opening Deferred tax Asset                   | 16,60,014             |                       |
| Current year adjustments                     | 4,40,429              | 16,60,014             |
| Gross Deferred tax Asset                     |                       |                       |
| <b>Deferred Tax Liability/ (Asset) - Net</b> | <b>21,00,442</b>      | <b>16,60,014</b>      |

**Note 6 : Current Investments**

| Particulars                                             | As At 31.03.19<br>(₹) | As At 31.03.18<br>(₹) |
|---------------------------------------------------------|-----------------------|-----------------------|
| Equity instruments of other Companies-Quoted            |                       |                       |
| Tech Mahindra Ltd(5 equity shares of Rs.10/-each)       | 3,192                 | 3,192                 |
| HCL Infosystems Ltd (100 Equity Shares of Rs. 2/- each) | 5,100                 | 5,100                 |
| Syndicate Bank Ltd (100 Equity Shares of Rs.10/- each)  | 5,555                 | 5,555                 |
| HCL Technologies Ltd 10 Equity Shares of Rs.2/- each)   | 9,695                 | 9,695                 |
| APTECH LTD (25 Equity Shares of Rs.2/- each)            | 6,454                 | 6,454                 |
| ITC Ltd (10 Equity Shares of Rs.1/- each)               | 2,559                 | 2,559                 |
| Equity instruments of other Companies-UnQuoted          | -                     | -                     |
| <b>Total Current Investments</b>                        | <b>32,554</b>         | <b>32,554</b>         |



**Note 7 : Trade Receivables**

| Particulars                    | As At 31.03.19<br>(₹) | As At 31.03.18<br>(₹) |
|--------------------------------|-----------------------|-----------------------|
| Current                        |                       |                       |
| Unsecured                      |                       |                       |
| Considered good                | 43,30,77,508          | 31,43,15,138          |
| Considered doubtful            | -                     | -                     |
| <b>Total Trade Receivables</b> | <b>43,30,77,508</b>   | <b>31,43,15,138</b>   |

**Note 8 : Cash & Cash Equivalents**

| Particulars                              | As At 31.03.19<br>(₹) | As At 31.03.18<br>(₹) |
|------------------------------------------|-----------------------|-----------------------|
| Balances with Banks                      |                       |                       |
| In Current & Deposit accounts            | 83,06,916             | 1,47,33,534           |
| Cash on hand                             | 3,540                 | 1,638                 |
| <b>Total Cash &amp; Cash Equivalents</b> | <b>83,10,456</b>      | <b>1,47,35,171</b>    |

**Note 9 : Other Financial Assets**

| Particulars                         | As At 31.03.19<br>(₹) | As At 31.03.18<br>(₹) |
|-------------------------------------|-----------------------|-----------------------|
| Current                             |                       |                       |
| Security Deposits                   | 2,99,588              | 3,01,688              |
| Rental Deposits                     | 9,08,807              | 8,03,671              |
| <b>Total Other Financial Assets</b> | <b>12,08,395</b>      | <b>11,05,359</b>      |

**Note 10 : Other CurrentAssets**

| Particulars                          | As At 31.03.19<br>(₹) | As At 31.03.18<br>(₹) |
|--------------------------------------|-----------------------|-----------------------|
| Current                              |                       |                       |
| Advances Recoverable in cash or kind | 18,19,028             | 1,34,30,542           |
| Advance Taxes & Duties               | 2,69,64,502           | 2,12,97,287           |
| Other Current Assets                 | 68,750                |                       |
| <b>Total Other CurrentAssets</b>     | <b>2,88,52,280</b>    | <b>3,47,27,829</b>    |

**Note 11 : Share Capital**

| Particulars                                                | As At 31.03.19<br>(₹) | As At 31.03.18<br>(₹) |
|------------------------------------------------------------|-----------------------|-----------------------|
| Equity Share Capital                                       |                       |                       |
| Authorised                                                 | 85,00,00,000          | 85,00,00,000          |
| C.Y 42,50,00,000 (P.Y. 42,50,00,000) shares of Re.2/- each |                       |                       |
| Issued,Subscribed and Paid up                              | 19,79,16,482          | 16,10,83,924          |
| C.Y 9,89,58,241 ( P.Y. 8,05,41,962 ) shares of Re.2/- each |                       |                       |
| <b>Total Paid up Equity Share Capital</b>                  | <b>19,79,16,482</b>   | <b>16,10,83,924</b>   |

**Authorised :** The Company's Authorised Capital is of Rs.85,00,00,000 (Previous Year Same) distributed into 42,50,00,000 (Previous Year Same) Equity Shares Of Rs.10/- each

**Issued, Subscribed & Paid-Up :** The Issued and Subscribed Capital of the Company as at 31st March 2019 is of Rs.19,79,16,482, represented by 9,89,58,241 Equity shares of Rs.2/- each and Paid up Capital as at 31st March 2018 is of Rs.16,10,83,924, represented by 8,05,41,962 Equity Shares of Rs.2/- each as at 31st March 2018.

**The reconciliation of the Equity Share Capital of the Company is given as under:**

| Particulars                                     | Issued & Subscribed |                     | Fully Paid-up      |                     | Partly Paid-up |            |
|-------------------------------------------------|---------------------|---------------------|--------------------|---------------------|----------------|------------|
|                                                 | Number              | Amount (₹)          | Number             | Amount (₹)          | Number         | Amount (₹) |
| Balance as at 31st March 2018                   | 8,05,41,962         | 16,10,83,924        | 8,05,41,962        | 16,10,83,924        | -              | -          |
| Add :1% unsecured FCCB                          | 1,51,16,279         | 3,02,32,558         | 1,51,16,279        | 3,02,32,558         | -              | -          |
| Add:Share Warrants transferred to share Capital | 33,00,000           | 66,00,000           | 33,00,000          | 66,00,000           | -              | -          |
| <b>Balance as at 31st March 2019</b>            | <b>9,89,58,241</b>  | <b>19,79,16,482</b> | <b>9,89,58,241</b> | <b>19,79,16,482</b> | <b>-</b>       | <b>-</b>   |

**The Company's Paid-up Capital of Rs.19,79,16,482 ( Previous Year Same ) Equity Shares of Rs.2/- each, is distributed as under:**

| Particulars                                                                                    | As At 31.03.19<br>Number % |       | As At 31.03.18<br>Number % |       |
|------------------------------------------------------------------------------------------------|----------------------------|-------|----------------------------|-------|
| a) Promoter & Promoter Group of which Shareholders holding more than 5% of the Paid up Capital |                            |       |                            |       |
| 1. Mr.P.C.Pantulu                                                                              | 1,68,15,820                | 17    | 1,68,15,820                | 20.88 |
| 2. Global Focus Fund                                                                           | 1,51,16,279                | 15.28 | -                          | -     |

## Note 12 : Other Equity

in ₹

| Particulars                                                              | Reserves & Surplus         |                   |                 |                |                                      | Other Comprehensive Income (OCI) |                         |                    | Total Equity attributable to equity holders of the company |
|--------------------------------------------------------------------------|----------------------------|-------------------|-----------------|----------------|--------------------------------------|----------------------------------|-------------------------|--------------------|------------------------------------------------------------|
|                                                                          | Securities Premium Reserve | Retained Earnings | General reserve | Share Warrants | Business transfer adjustment reserve | Equity Instruments through OCI   | Cash Flow hedge reserve | Other items of OCI |                                                            |
| <b>Balance as at 01-04-2017</b>                                          | -                          | 1,63,85,672       | -               | -              | -                                    | -                                | -                       | -                  | 1,63,85,672                                                |
| Changes in equity for year ended 31-03-19                                | -                          | -                 | -               | -              | -                                    | -                                | -                       | -                  | -                                                          |
| Inc. in share capital on account of fresh issue                          | 1,94,40,000                | -                 | -               | -              | -                                    | -                                | -                       | -                  | 1,94,40,000                                                |
| Issue of Share Warrants                                                  |                            |                   |                 | 36,30,000      | -                                    |                                  | -                       | -                  | 36,30,000                                                  |
| Remeasurement of net defined benefit liability /asset, net of tax effect |                            |                   |                 |                | -                                    |                                  | -                       | -                  | -                                                          |
| Fair Valuation of investments, net of tax effect                         |                            |                   |                 |                | -                                    |                                  | -                       | -                  | -                                                          |
| Equity Instruments through other comprehensive income, net of tax effect |                            |                   |                 |                | -                                    | 1,427                            | -                       | -                  | 1,427                                                      |
| Reversal of Provision                                                    |                            | 8,26,358          |                 |                | -                                    |                                  | -                       | -                  | 8,26,358                                                   |
| <b>Profit for the Period</b>                                             |                            | 3,80,96,740       |                 |                | -                                    |                                  | -                       | -                  | 3,80,96,740                                                |
| <b>Balance as at 31-03-2018</b>                                          | 1,94,40,000                | 5,53,08,771       | -               | 36,30,000      | -                                    | 1,427                            | -                       | -                  | 7,83,80,198                                                |
| <b>Balance as at 01-04-2018</b>                                          | 1,94,40,000                | 5,53,08,771       | -               | 36,30,000      | -                                    | 1,427                            | -                       | -                  | 7,83,80,198                                                |
| Changes in equity for year ended 31-03-18                                |                            |                   |                 |                | -                                    |                                  | -                       | -                  | -                                                          |
| Inc. in share capital on account of fresh issue                          | 22,67,442                  |                   |                 |                |                                      |                                  |                         |                    | 22,67,442                                                  |
| Issue of Share Warrants                                                  | 79,20,000                  |                   |                 |                |                                      |                                  |                         |                    | 79,20,000                                                  |
| Remeasurement of net defined benefit liability /asset, net of tax effect |                            |                   |                 |                |                                      |                                  |                         |                    | -                                                          |
| Fair Valuation of investments, net of tax effect                         |                            |                   |                 |                |                                      |                                  |                         |                    | -                                                          |
| Equity Instruments through OCI, net of tax effect                        |                            |                   |                 |                |                                      | 61,84,84,067                     |                         |                    | 61,84,84,067                                               |
| Reversal of Provision                                                    |                            |                   |                 |                |                                      |                                  |                         |                    | -                                                          |
| <b>Profit for the Period</b>                                             |                            | 6,20,66,110       |                 |                |                                      |                                  |                         |                    | 6,20,66,110                                                |
| <b>Balance as at 31-03-2019</b>                                          | 2,96,27,442                | 11,73,74,881      | -               | -              | -                                    | 61,84,85,494                     | -                       | -                  | 76,54,87,817                                               |

**Note 13 : Financial Liabilities**

| Particulars                 | As At 31.03.19<br>(₹) | As At 31.03.18<br>(₹) |
|-----------------------------|-----------------------|-----------------------|
| Other Financial Liabilities | 3,36,97,805           | -                     |
| <b>Total</b>                | <b>3,36,97,805</b>    | <b>-</b>              |

**Note 14 : Deferred Tax Liability**

| Particulars                                               | As At 31.03.19<br>(₹) | As At 31.03.18<br>(₹) |
|-----------------------------------------------------------|-----------------------|-----------------------|
| Opening Deferred tax Liability                            | -                     | 53,59,572             |
| Add:                                                      | -                     | -                     |
| Deferred Tax adjustment ( Due to SLM and WDV Difference ) | -                     | (70,19,586)           |
| Deferred Tax Liability for the year ( Due to Others )     | -                     | -                     |
| <b>Gross Deferred tax Liability</b>                       | <b>-</b>              | <b>-</b>              |
| Opening Deferred tax Asset                                | -                     | -                     |
| Deferred Tax adjustment ( Due to SLM and WDV Difference ) | -                     | 16,60,014             |
| <b>Gross Deferred tax Asset</b>                           | <b>-</b>              | <b>-</b>              |
| <b>Deferred Tax Liability/ ( Asset ) - Net</b>            | <b>-</b>              | <b>16,60,014</b>      |

**Note 15 : Trade Payables**

| Particulars                                    | As At 31.03.19<br>(₹) | As At 31.03.18<br>(₹) |
|------------------------------------------------|-----------------------|-----------------------|
| Dues to other than Micro and small enterprises | 2,69,38,528           | 2,52,46,303           |
| <b>Total Trade Payables</b>                    | <b>2,69,38,528</b>    | <b>2,52,46,303</b>    |

**Note 16 : Other Financial Liabilities**

| Particulars                                | As At 31.03.19<br>(₹) | As At 31.03.18<br>(₹) |
|--------------------------------------------|-----------------------|-----------------------|
| Current maturities of Long Term Borrowings | -                     | 3,03,00,174           |
| Short Term Borrowings                      |                       |                       |
| From Others                                | 4,54,81,082           | -                     |
| Unsecured loans                            | -                     | 2,54,72,613           |
| <b>Total Other Financial Liability</b>     | <b>4,54,81,082</b>    | <b>5,57,72,788</b>    |

**Note 17 : Other Current Liabilities**

| Particulars                            | As At 31.03.19<br>(₹) | As At 31.03.18<br>(₹) |
|----------------------------------------|-----------------------|-----------------------|
| Interest Payable                       | -                     | -                     |
| Outstanding Expenses Payable           | -                     | -                     |
| Audit Fee Payable                      | 2,25,000              | 2,95,000              |
| Directors Remuneration Payable         | 2,37,31,272           | 1,95,96,473           |
| Other Payable                          | 3,18,73,355           | 3,02,17,979           |
| <b>Total Other Current Liabilities</b> | <b>5,58,29,627</b>    | <b>5,01,09,452</b>    |

**Note 18 : Provisions**

| Particulars                     | As At 31.03.19<br>(₹) | As At 31.03.18<br>(₹) |
|---------------------------------|-----------------------|-----------------------|
| Provision for Employee Benefits | -                     | -                     |
| PF Payable                      | 9,48,051              | 72,532                |
| ESI Payable                     | 1,24,672              | 8,327                 |
| PT Payable                      | 2,81,832              | 2,19,282              |
| Salaries Payable                | 1,16,20,577           | 73,57,500             |
| Others                          |                       |                       |
| Statutory Liabilities           | 19,57,444             | 9,70,907              |
| Others                          | 1,44,089              |                       |
| <b>Total Provisions</b>         | <b>1,50,76,665</b>    | <b>86,28,547</b>      |

**Note 19 : Income tax Liability**

| Particulars              | As At 31.03.19<br>(₹) | As At 31.03.18<br>(₹) |
|--------------------------|-----------------------|-----------------------|
| Current Income Tax (Net) | 1,96,24,816           | 72,17,197             |
| <b>Total</b>             | <b>1,96,24,816</b>    | <b>72,17,197</b>      |

**Note 20 : Revenue from operations**

| Particulars                          | As At 31.03.19<br>(₹) | As At 31.03.18<br>(₹) |
|--------------------------------------|-----------------------|-----------------------|
| Revenue from Operations              |                       |                       |
| Domestic Sales                       | 1,11,75,255           | 64,09,82,018          |
| Export Sales                         | 59,32,72,291          | 40,57,56,168          |
| <b>Total Revenue from Operations</b> | <b>60,44,47,546</b>   | <b>1,04,67,38,186</b> |

**Note 21 : Other Income**

| Particulars                                                                                               | As At 31.03.19<br>(₹) | As At 31.03.18<br>(₹) |
|-----------------------------------------------------------------------------------------------------------|-----------------------|-----------------------|
| (a) Dividend Income                                                                                       |                       | 591                   |
| (b) Net Gain on sale of Investments / Assets                                                              | 2,41,50,517           |                       |
| (c) Other non-operating income (net of expenses directly attributed to such income)                       |                       | 1,06,048              |
| (d) Net gain/loss on foreign currency translation and transaction (other than considered as finance cost) | 1,27,20,374           | -                     |
| <b>Total Other Income</b>                                                                                 | <b>3,68,70,891</b>    | <b>1,06,639</b>       |

**Note 22 : Employee Benefits Expenses**

| Particulars                                 | As At 31.03.19<br>(₹) | As At 31.03.18<br>(₹) |
|---------------------------------------------|-----------------------|-----------------------|
| (a) Salaries & Wages                        | 48,59,32,123          | 58,13,75,203          |
| (b) Contribution to Provident & Other Funds | 5,88,078              | 3,67,458              |
| (c) Staff Welfare Expenses                  | 30,27,822             | 20,66,392             |
| <b>Total Employee Benefit Expenses</b>      | <b>48,95,48,023</b>   | <b>58,38,09,053</b>   |

**Note 23 : Finance Cost**

| Particulars               | As At 31.03.19<br>(₹) | As At 31.03.18<br>(₹) |
|---------------------------|-----------------------|-----------------------|
| Interest Charges          | 1,25,54,299           | -                     |
| <b>Total Finance Cost</b> | <b>1,25,54,299</b>    | <b>-</b>              |

**Note 24 : Administrative & Other Operating Expenses**

| Particulars                                      | As At 31.03.19<br>(₹) | As At 31.03.18<br>(₹) |
|--------------------------------------------------|-----------------------|-----------------------|
| (a) Telephone, Postage and Others                | 7,90,243              | 3,43,484              |
| (b) Business Promotion Expenses                  | 1,30,419              | 92,429                |
| (c) Conveyance                                   | 6,75,738              | 12,01,202             |
| (d) Office Maintenance                           | 2,17,52,655           | 79,19,276             |
| (e) Printing & Stationery Expenses               | 2,95,467              | 5,07,261              |
| (f) Security Charges                             |                       | 1,86,427              |
| (g) Managerial Remuneration                      | 50,40,000             | 50,40,000             |
| (h) RTA & Secretarial Expenses                   | 11,69,338             | 11,61,620             |
| (i) Professional Consultancy fee                 | 1,82,16,222           | 30,89,43,007          |
| (j) Board Meeting Expenses                       | 1,10,000              | 1,86,048              |
| (k) Bank Charges                                 |                       | 56,016                |
| (l) Rent                                         | 16,80,918             | 20,57,384             |
| (m) Legal Expenses                               |                       | 14,63,448             |
| (n) Electricity & Water                          | 5,06,678              | 3,87,667              |
| (o) AGM Expenses                                 | 2,49,080              | 1,13,200              |
| (p) Payment to Auditors:                         |                       |                       |
| (i) As Auditor                                   | 2,50,000              | 2,95,000              |
| (ii) For Taxation Matters                        |                       | -                     |
| (q) Investments Written Off                      | -                     | 1,00,000              |
| (r) Recruitment Expenses                         | 69,77,819             | 3,47,99,131           |
| (s) Service Charges                              | 33,43,768             | 5,89,20,417           |
| (t) Operating Expenses                           | 25,01,023             | -                     |
| <b>Total Administrative &amp; Other Expenses</b> | <b>6,36,89,368</b>    | <b>42,37,73,017</b>   |

## Notes to Accounts

### 25. NCLT Order- Going Concern Assumption

During the year one individual and another overseas corporate had approached the National company Law Tribunal, Hyderabad claiming amounts as financial creditors under section 7 of the Insolvency and Bankruptcy code 2016.

The company had made submissions before the NCLT denying the allegations and dues to the petitioners. The NCLT, Hyderabad passed orders on the 26th March 2018 admitting the petition and appointed an Insolvency Resolution Professional thereby suspending the board of the company.

The IRP took charge and made announcements in the newspapers on the 01st May 2018 inviting claims of the creditors.

The IRP also issued a notice of meeting of Committee of Creditors to be held on the 21st May 2018.

Meanwhile Mr. P. Chandra Sekhar, one of the promoters of the company filed an appeal before the National Company Law Appellate Tribunal, New Delhi (NCLAT) seeking a stay on the IBC proceedings.

The NCLAT did not grant a stay and posted the matter for hearing on the 21st May 2018.

Aggrieved by the order of the NCLAT not inclined to grant a stay Mr. P. Chandra Sekhar, approached the Honourable Supreme Court of India seeking a stay on the IBC proceedings. The Hon'ble Supreme Court granted a stay on the 18th May 2018 on the order of the NCLT dated 26-03-2018. Thus, the board of the company was restored. The matter is pending adjudication before the Hon'ble Supreme Court of India.

The auditors have laid emphasis on this matter in their report and the same is clarified as follows.

- The Company is not a party to the Loan Agreement, or the Settlement deed presented by the Financial Creditors before the NCLT.
- Going Concern assumption is considered appropriate by the management on the basis of merits and the financial statements have been prepared by applying normal principles of recognition and measurement.

### 26. Contingent Liabilities

The Following are the contingent liabilities not provided for in respect of matters under dispute

| ₹ in lakhs   |                 |                 |
|--------------|-----------------|-----------------|
| Particulars  | 2019            | 2018            |
| Income Tax   | 1,861.80        | 1,090.93        |
| Others       | 1.35            | 1.35            |
| <b>Total</b> | <b>1,863.15</b> | <b>1,092.28</b> |

### 27. Subsidiary Companies

- Cybermate Infotek Limited Inc USA

The Operations of the company's wholly owned subsidiaries viz Cybermate Infotek Limited Inc at U.S.A have remained dormant since the year 2002.

The company is presently evaluating the possibility of reviving the operations after fulfilling compliances and by making additional investments.

- Cybermate International, Unipessoal LDA

The Company has incorporated a wholly owned subsidiary at Portugal for marketing its health care platform in Europe and African Region. The company is yet to commence operations

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures in Form AOC - 1 is annexed to the Directors' Report as Annexure D pursuant to first proviso to sub-section (3) of



section 129 of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014.

## 28. Preferential Allotment of Shares Consequent to Conversion of Share warrants of Promoters and Investors.

During the Previous year, on the basis of the resolution approved by the shareholders at the extraordinary general meeting held on the 18th May 2017, the company allotted 81,00,000 equity share warrants to promoters and 33,00,000 equity share warrants to Investors at a price of Rs. 4.40 (including premium of Rs.2.40) per equity share warrant on part payment of 25 % of the amount payable.

The following is the status of allotment of equity share warrants, exercise of conversion to equity shares exercised and lapsed warrants if any.

|              | No of Equity Share Warrants |                    |          |
|--------------|-----------------------------|--------------------|----------|
|              | Subscribed                  | Exercised          | Lapsed   |
| Promoters    | 81,00,000                   | 81,00,000          | -        |
| Investors    | 33,00,000                   | 33,00,000          | -        |
| <b>Total</b> | <b>1,14,00,000</b>          | <b>1,14,00,000</b> | <b>-</b> |

## Utilisation of Proceeds

2017-2018

| Share Warrant Proceeds                     | 25 percent Rs. | 75 percent Rs. | Total Received Rs. |
|--------------------------------------------|----------------|----------------|--------------------|
| Promoters                                  | 81,00,000      | 89,10,000      | 2,67,30,000        |
| Investors                                  | 33,00,000      | 36,30,000      | -                  |
| <b>Total</b>                               |                |                | <b>3,92,70,000</b> |
| Utilisation of Proceeds                    |                |                |                    |
| General Corporate Purposes/Working Capital |                |                | 3,92,70,000        |
| Balance/Unutilised                         |                |                | -                  |

2018-2019

| Share Warrant Proceeds                     | 25 percent Rs. | 75 percent Rs. | Total Received Rs. |
|--------------------------------------------|----------------|----------------|--------------------|
| Promoters                                  | -              | -              | -                  |
| Investors                                  | 33,00,000      | 1,08,90,000    | 1,08,90,000        |
| <b>Total</b>                               |                |                | <b>1,08,90,000</b> |
| Utilisation of Proceeds                    |                |                |                    |
| General Corporate Purposes/Working Capital |                |                | 1,08,90,000        |
| Balance/Unutilised                         |                |                | -                  |

## 29. Segment Reporting

In accordance with the requirement of IND AS-108 on segment reporting, the company has determined its business segment as computer programming consultancy, and related services. There are no other primary reportable segments, and secondary reportable segments.

There are no secondary reportable segments (Geographical Segments).

## 30. Earnings Per Share

| Particulars                                                                                                    | 2019 (₹)    | 2018 (₹)    |
|----------------------------------------------------------------------------------------------------------------|-------------|-------------|
| Profits attributable to Equity Shareholders                                                                    | 6,20,66,110 | 3,80,96,740 |
| Weighted Average No. Of Equity Shares outstanding during the year for computing Basic and Diluted EPS (Shares) | 9,89,58,241 | 8,05,41,962 |
| Basic EPS - Rs.                                                                                                | 0.70        | 0.47        |
| Diluted EPS- Rs.                                                                                               | 0.15        | 0.47        |

**31. Related Party Disclosures****I. Key Management Personnel**

Mr. P.C. Pantulu – Managing Director

Mr. K.S. Shiva Kumar – Director

Mr. P. Chandra Sekhar – Director

Mr. K. Koteswara Rao - Director

Ms. C. Kamakshi Bharathi- Director

Mr. V.S.Roop Kumar- Director

Mr. B.Srinivasa Reddy - Director

Mr. Suraj Bharadwaj – Director

**II. Parties where control exists - Wholly Owned Subsidiary**

Cybermate Infotek Limited Inc

Cybermate International Unipessol, LDA

**III. Enterprises controlled by Key Management Personnel**

Orchasp Consulting (P) Ltd

Orchasp Securities (P) Ltd

CIL Infoserve Ltd

Bilwa Infrastructure Ltd

**IV. Relatives of Key Management Personnel**

Mrs. P. Rajeswari – Wife of Mr.P.C.Pantulu.

Mrs. P. Sirisha – Daugher of Mr.P.C.Pantulu

Mr. P. Srikrishna – Brother of Mr.P.C.Pantulu

Mrs. K. Sirisha- Wife of Mr.P.Chandra Sekhar

Mr.P. Manjush – cousin of Mr.P.Chandra Sekhar

Mr.K. Bhujangarao – Father In Law of Mr.P.Chandra Sekhar

## Related Party Transactions

₹ in lakhs

| Particulars                                         | 2018-19           |                 | 2017-18           |                 |
|-----------------------------------------------------|-------------------|-----------------|-------------------|-----------------|
|                                                     | Transaction Value | Closing Balance | Transaction Value | Closing Balance |
| <b>A.Rendering of Software Services</b>             |                   |                 |                   |                 |
| (a) CIL Infoserve Ltd                               | 123.28            | 288.95          | 3,635.47          | 209.49          |
| (b) Orchasp Securities (P) Ltd                      | 22.12             | 17.37           | 215.66            | -               |
| (c) Bilwa Infrastructure Ltd (Kantirekha Power Ltd) | 180.86            | 569.44          | 393.33            | 393.33          |
| (d) Orchasp Consulting (P) Ltd                      | 45.05             | 3.57            | -                 | -               |
| <b>Total</b>                                        | <b>371.32</b>     | <b>879.34</b>   | <b>4,244.47</b>   | <b>602.82</b>   |
| <b>B.Advances taken</b>                             |                   |                 |                   |                 |
| Key Management Personnel                            |                   |                 |                   |                 |
| (a) Mr.P.C.Pantulu                                  | 1.74              | 184.93          | 46.53             | 187.36          |
| (b) Mr.P.Chandra Sekhar                             | 9.90              | 1.92            | 11.19             | 63.65           |
| <b>Total</b>                                        | <b>11.64</b>      | <b>186.84</b>   | <b>57.72</b>      | <b>251.01</b>   |
| Relatives of Key Managerial Personnel               |                   |                 |                   |                 |
| (a) Ms.Rajeswari Pattapurathi                       | -                 | 17.03           | -                 | 17.03           |
| (b) Ms.Sirisha Kasukhela                            | -                 | 41.27           | 4.00              | 43.48           |
| (c) Mr. Manjush Pattapurathi                        | -                 | 5.00            | -                 | 5.00            |
| (d) Mr. Srikrishna Pattapurathi                     | -                 | 1.87            | -                 | 5.00            |
| (e) Mr. K.Bhujanga Rao                              | 9.60              | -               | -                 | (9.60)          |
| <b>Total</b>                                        | <b>9.60</b>       | <b>65.17</b>    | <b>4.00</b>       | <b>60.91</b>    |
| Enterprises Controlled by Key Management Personnel  |                   |                 |                   |                 |
| (a) Bilwa Infrastructure Ltd                        | -                 | -               | 683.56            | -               |
| (b) Orchasp Consulting (P) Ltd                      | 1.30              | -               | 40.20             | -               |
| (c) Orchasp Securities (P) Ltd                      | -                 | -               | 395.93            | -               |
| (d) CIL Infoserve Ltd                               | -                 | -               | 73.13             | -               |
| <b>Total</b>                                        | <b>1.30</b>       | <b>-</b>        | <b>1,192.82</b>   | <b>-</b>        |
| <b>D.Managerial Remuneration</b>                    |                   |                 |                   |                 |
| (a)Mr.K.S.Shiva Kumar                               | 8.42              | 75.94           | 8.50              | 67.51           |
| (b)Mr.P.Chandra Sekhar                              | 9.50              | 82.44           | 9.50              | 73.81           |
| (c)Mr.P.C.Pantulu                                   | 26.78             | 78.94           | 26.86             | 54.64           |
| <b>Total</b>                                        | <b>44.71</b>      | <b>237.31</b>   | <b>44.86</b>      | <b>195.96</b>   |

**Aggregated Related party Disclosures**

₹ in lakhs

| Nature of Transaction           | Associate/<br>Subsidiary | Key<br>Management<br>Personnel | Relatives of Key<br>Management<br>Personnel | Relatives of Key<br>Management<br>Personnel | Enterprises<br>controlled by<br>relatives of Key<br>Management<br>Personnel | Total          |
|---------------------------------|--------------------------|--------------------------------|---------------------------------------------|---------------------------------------------|-----------------------------------------------------------------------------|----------------|
| Remuneration                    | -                        | 50.40(50.40)                   | -                                           | -                                           | -                                                                           | 50.40(50.40)   |
| Trade Payables                  | -                        | -                              | -                                           | -                                           | -                                                                           | -              |
| Trade Receivables               | -                        | -                              | -                                           | -                                           | 94.81(5457.2)                                                               | 94.81(5457.2)  |
| Advances/Loans/ICDs<br>Received | -                        | 11.64(57.71)                   | 9.60(4.00)                                  | 9.60(4.00)                                  | 1.30(1192.8)                                                                | 22.54(1254.54) |
| Advances/Loans/ICDs<br>Repaid   | -                        | 66.77(241.1)                   | 5.34(40.95)                                 | 5.34(40.95)                                 | 1.30(1300.80)                                                               | 73.41(1582.85) |
| Balances as on 31-03-19         |                          |                                |                                             |                                             |                                                                             |                |
| Receivable                      | -                        | -                              | -                                           | -                                           | 879.34(602.82)                                                              | 879.34(602.82) |
| Payable                         | -                        | 186.84(251.01)                 | 65.71(60.91)                                | 65.71(60.91)                                | NIL(NIL)                                                                    | 252.55(311.92) |

Previous years figures have been regrouped where ever necessary

**32. Payments to Auditors**

| Particulars         | 2019 (₹)        | 2018 (₹)        |
|---------------------|-----------------|-----------------|
| As Auditor          |                 |                 |
| For Statutory Audit | 1,50,000        | 1,50,000        |
| For Tax Audit       | 75,000          | 75,000          |
| For Limited Review  | 25,000          | - 25,000        |
| <b>Total</b>        | <b>2,50,000</b> | <b>2,50,000</b> |

**33. Foreign Currency Convertible Bonds**

|                                                                             |              |
|-----------------------------------------------------------------------------|--------------|
| <b>(a) Utilisation</b>                                                      |              |
| No of FCCBs Issued                                                          | 105          |
| Value of each bond USD                                                      | 1,00,000     |
| Total FCCB Offering USD                                                     | 1,05,00,000  |
| Investment in Wholly owned Subsidiary- USD                                  | 1,05,00,000  |
| Balance Unutilised -USD                                                     | -            |
| <b>(b) No of Bonds outstanding</b>                                          |              |
| No of FCCBs Issued                                                          | 105          |
| No of Bonds converted into Equity Shares                                    | 5            |
| <b>Balance FCCBs outstanding</b>                                            | <b>100</b>   |
| <b>(c) Initial Recognition of Foreign Currency Convertible Bonds (FCCB)</b> |              |
| Equity Component of FCCB's                                                  | 65,09,84,067 |
| Liability Component of FCCB's                                               | 3,15,15,932  |
| Less: Allotment of Shares                                                   | 3,25,00,000  |
| Closing Balance                                                             | 65,00,00,000 |

**(d) Disclosure**

The FCCB is presented under other Equity as it is treated as an embedded derivative in accordance with IND AS 32, 107 and 107 as mentioned in the accounting policy on Financial Instruments.

**34. Earnings in Foreign Currency**

₹ in lakhs

| Particulars     | 2019           | 2018            |
|-----------------|----------------|-----------------|
| Export Earnings | 5932.72        | 4,057.56        |
| <b>Total</b>    | <b>5932.72</b> | <b>4,057.56</b> |

**35. Expenditure in Foreign Currency**

₹ in lakhs

| Particulars                    | 2019            | 2018         |
|--------------------------------|-----------------|--------------|
| Operational Expenses           | 4,596.45        | -            |
| Consultancy & Professional Fee | 10.19           | 33.70        |
| Service Charges                | 33.28           | -            |
| Preliminary Expenses           | 35.15           | -            |
| Interest - FCCB                | 69.04           | -            |
| Consultants Fee                | -               | -            |
| Travel                         | -               | 1.77         |
| <b>Total</b>                   | <b>4,744.11</b> | <b>35.47</b> |

**36. Debtors, Creditors, Loans and Advances are subject to confirmation and reconciliation.**

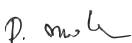
**37. Previous year figures have been regrouped and rearranged wherever necessary to conform to this years' classification.**

**As per our report of even date**

P. Murali &amp; Co

FRN:007257S

Chartered Accountants


**P. Murali Mohan Rao**

Partner

Membership No 023412

Place: Hyderabad

Date: 27-05-2019

**For and on behalf Board**

For Cybermate Infotek Limited


**P.C. Pantulu**

Managing Director &amp; CEO

DIN 01583136


**P. Chandra Sekhar**

Director &amp; CFO

DIN 01647212


**K.S. Shiva Kumar**

Director &amp; COO

DIN 02103299


**K. Venkata Lakshmi**

Company Secretary

M.No. A21091



13

Consolidated  
Financial  
Statements



## INDEPENDENT AUDITOR'S REPORT

To the Members of **CYBERMATE INFOTEK LIMITED**

### Report on the Consolidated Ind AS Financial Statements

#### Opinion

We have audited the accompanying Consolidated Ind AS financial statements of **CYBERMATE INFOTEK LIMITED** ("the Company"), which comprises the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (Including other Comprehensive Income), Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information. (Hereinafter referred to as "Consolidated Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013("the Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India including Ind AS of the financial position of the Company as at March 31, 2019, and its Profit including other comprehensive income, its cash flow and changes in the equity for the year ended on that date.

#### Basis for Opinion

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

#### Key Audit Matters

##### ● Issue of Foreign Currency Convertible Bonds (FCCB)

The company has issued FCCB of US\$ 1,05,00,000 ,1% coupon Foreign Currency convertible Bond's due upon completion of Five years from the date of issue . The bonds will bear interest at the rate 1% per annum, from the Interest Commencement date up to the date prior to the date of maturity.

#### Auditor's Response

##### Principal Audit Procedures

The recognition of FCCB in Books of Accounts as per "Ind AS 109- Financial Instruments" and "Ind AS 32- Financial Instruments : Presentation " involves Professional Judgment relating to determination of repayment and convertible obligations over the tenure of FCCB's.

Refer Note No.33 in Notes to Consolidated Financial Statements.

- Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 "Revenue from Contracts with Customers" (new revenue accounting standard)

The application of the new revenue accounting standard involves certain key judgments relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized over a period. Additionally, new revenue accounting standard contains disclosures which involves collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.

#### **Auditor's Response:**

##### **Principal Audit Procedures**

We assessed the Company's process to identify the impact of adoption of the new revenue accounting standard.

Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows:

- Evaluated the design of internal controls relating to implementation of the new revenue accounting standard.
- Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, reperformance and inspection of evidence in respect of operation of these controls.
- Tested the relevant information technology systems' access and change management controls relating to contracts and related information used in recording and disclosing revenue in accordance with the new revenue accounting standard.
- Selected a sample of continuing and new contracts and performed the following procedures:
  - Read, analysed and identified the distinct performance obligations in these contracts.
  - Compared these performance obligations with that identified and recorded by the Company.
  - Considered the terms of the contracts to determine the transaction price including any variable consideration to verify the transaction price used to compute revenue and to test the basis of estimation of the variable consideration.
- Samples in respect of revenue recorded for time and material contracts were tested using a combination of approved time sheets including customer acceptances, subsequent invoicing and historical trend of collections and disputes.
- Sample of revenues disaggregated by type and service offerings was tested with the performance obligations specified in the underlying contracts.
- In respect of samples relating to fixed-price contracts, progress towards satisfaction of performance obligation used to compute recorded revenue was verified with actual and estimated efforts from the time recording and budgeting systems. We also tested the access and change management controls relating to these systems.
- Sample of revenues disaggregated by type and service offerings was tested with the performance obligations specified in the underlying contracts.
- Performed analytical procedures for reasonableness of revenues disclosed by type and service offerings.

- We reviewed the collation of information and the logic of the report generated from the budgeting system used to prepare the disclosure relating to the periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date

#### Evaluation of uncertain tax positions

The Company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes.

#### Auditor's Response:

##### Principal Audit Procedures

Obtained details of completed tax assessments and demands for the year ended March 31, 2019 from management. We involved our internal experts to challenge the management's underlying assumptions in estimating the tax provision and the possible outcome of the disputes. Our internal experts also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions. Additionally, we considered the effect of new information in respect of uncertain tax positions as at April 1, 2018 to evaluate whether any change was required to management's position on these uncertainties.

#### Emphasis of Matter

a. M/s WincereInc (the Company) & Himanshu P Kansara has filed petition u/s 7 of IBC 2016, against the Company at the Honorable NCLT Hyderabad bench. The Honorable NCLT passed the order by admitting the petition and appointed Resolution Professional.

However the same has been granted Stay by the Honorable Supreme Court.

#### Information Other than the Ind AS Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in

the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Ind AS financial statements and our auditor's report thereon.

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

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

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

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation of these Consolidated Ind AS financial statements that give a true and fair view of the financial position, financial performance (including the other comprehensive income), cash flows and Statement of Changes in Equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rules issued there under. This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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; design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

#### **Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the Consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(I) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Consolidated Ind AS financial statements, including the disclosures, and whether the Consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because

the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

1. 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.
2. As required by Section 143(3) of the Act, we further 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 purpose of our audit.
  - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
  - d. In our opinion, the aforesaid Consolidated Ind AS financial statements comply with the applicable Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued there under.
  - e. On the basis of written representations received from the directors as on March 31, 2019, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019, from being appointed as a director in terms of Section 164(2) of the Act.

- f. With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'; and
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has pending litigations which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For P.Murali & Co,  
Chartered Accountants,  
Firm Registration No: 007257S.



P. Murali Mohana Rao  
Partner  
M.No:023412

Place: Hyderabad

Date: 27-05-2019

**Annexure A to the Auditor's Report**

Annexure referred to in paragraph 1 of Our Report of even date to the members of CYBERMATE INFOTEK LIMITED on the accounts of the company for the year ended 31st March, 2019 Under "Report on other Legal & Regulatory Requirements"

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
- (b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain 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) According to the information and explanations given to us and on the basis of our examination of records of the Company, the company is not holding any immovable property, hence this clause is not applicable to the company.
- ii. The company has no Inventory. Accordingly, the provisions of this clause are not applicable to the Company.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, and Limited Liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said order are not applicable to the company.
- iv. The Company has not granted any loans or provided any guarantee or security to the parties covered under section 185 of the Act. In respect of the Investments made by the Company, the provisions of section 186 of The Companies Act, 2013 have been complied with.
- v. The Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013 and rules framed there under to the extent notified.
- vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of The Companies Act, 2013.
- vii (a) The Company has not been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Goods and Service Tax and other material statutory dues applicable to it with the appropriate authorities.
- (b) There were undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.



| # | Name of the statute                                 | Nature of the Dues | Amount (₹) | Period to which the amount relates | Date of Payment           |
|---|-----------------------------------------------------|--------------------|------------|------------------------------------|---------------------------|
| 1 | Telangana Profession Act                            | Profession Tax     | 2,81,832   | 2018-19                            | Amount not paid till date |
| 2 | Employees Provident Fund & Misc Provisions Act 1952 | Provident Fund     | 10,72,723  | 2018-19                            | Amount not paid till date |
| 3 | Income Tax Act, 1961                                | TDS                | 19,57,444  | 2018-19                            | Amount not paid till date |

- (c) According to the information and explanations given to us and the records of the Company examined by us, the particulars of Income tax as at 31 March 2019 which have not been deposited on account of a dispute, are as follows:

| # | Name of the statute  | Nature of the Dues | Amount (₹)  | Period to which the amount relates | Forum where the dispute is pending |
|---|----------------------|--------------------|-------------|------------------------------------|------------------------------------|
| 1 | Income Tax Act, 1961 | Income Tax         | 6,40,88,348 | A.Y. 2009-10                       | CIT (A)                            |
| 2 | Income Tax Act, 1961 | Income Tax         | 1,70,34,842 | A.Y. 2011-12                       | CIT(A)                             |
| 3 | Income Tax Act, 1961 | Income Tax         | 2,76,63,700 | A.Y. 2012-13                       | CIT (A)                            |
| 4 | Income Tax Act, 1961 | Income Tax         | 3,83,56,680 | A.Y. 2013-14                       | ITAT(Appeals)                      |

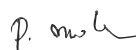
- viii. In our opinion and according to information and explanations given to us, the Company has not defaulted in repayment of any loans taken from Banks or Financial Institutions or Government and has not issued any debentures during the year under consideration.
- ix. The Company has issued 1% Foreign currency convertible bonds amounting to Rs.68,25,00,000 and have been utilized for the purpose for which they have been raised .
- x. According to the information and explanations given to us, no material fraud by the company or on the company by its officers or employees has been noticed or reported during the course of our Audit.
- xi. The company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 of Companies Act 2013.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it; the Provisions of clause 3(xii) of the order are not applicable to the company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Accounting standard (AS) 18, related party disclosures specified under section 133 of the Act, read with relevant rules issued there under.
- xiii. (a) According to the information and explanations given by the management, the company has made preferential allotment during the year.
- (b) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of Sections 62 of the companies Act 2013 in respect of preferential allotment of shares.

- (c) Amount raised by way of Preferential allotment was solely utilized for the purpose for which amount was raised. Details of Preferential Allotment are given below:

| # | Name of Allottee          | No. of Shares allotted | Total Amount paid (₹) | Total Amount outstanding on calls |
|---|---------------------------|------------------------|-----------------------|-----------------------------------|
| 1 | SamalaSubba Reddy         | 6,00,000               | 26,40,000             | 0                                 |
| 2 | SamalaPrabhavathi         | 6,00,000               | 26,40,000             | 0                                 |
| 3 | PinnelliAnantaramamma     | 4,50,000               | 19,80,000             | 0                                 |
| 4 | MallavarapuJayarami Reddy | 6,00,000               | 26,40,000             | 0                                 |

- xv. The Company has not entered into non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under section 45-IA of The Reserve Bank of India Act 1934. Accordingly, the provisions of clause 3(xvi) of the order are not applicable to the Company.

For P.Murali & Co,  
Chartered Accountants,  
Firm Registration No: 007257S.



P. Murali Mohana Rao  
Partner  
M.No:023412

Place: Hyderabad  
Date: 27-05-2019

## **Annexure B to the Independent Auditor's Report**

**Report on the Internal Financial Controls under clause (i) of the Sub-section 3 of the Section 143 of the Companies Act, 2013 ('The Act') We have audited the internal financial controls over financial reporting of M/s.CYBERMATE INFOTEK LIMITED('the Company') as of March 31, 2019 in conjunction with our audit of Consolidated 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.

### **Auditor's 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 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. These Standards and 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 judgment, including the assessment of the risk of material misstatement of the 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 control 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 these 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 Consolidated Ind AS 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 Consolidated Ind AS financial statements.

**Inherent Limitation of Internal Financial Controls over Financial Reporting**

Because of the inherent limitation 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 deducted. 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, 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, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute Of Chartered Accountants of India.

For P.Murali & Co,  
Chartered Accountants,  
Firm Registration No: 007257S.



P. Murali Mohana Rao  
Partner  
M.No:023412

Place: Hyderabad

Date: 27-05-2019

**Annexure B to the Independent Auditor's Report****Report on the Internal Financial Controls under clause (i) of the Sub-section 3 of the Section 143 of the Companies Act, 2013 ('The Act')**

We have audited the internal financial controls over financial reporting of **M/s.CYBERMATE INFOTEK LIMITED** ('the Company') as of March 31, 2019 in conjunction with our audit of Consolidated 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.

**Auditor's 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 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. These Standards and 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 judgment, including the assessment of the risk of material misstatement of the 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 control 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 these 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 Consolidated Ind AS 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 Consolidated Ind AS financial statements.

#### **Inherent Limitation of Internal Financial Controls over Financial Reporting**

Because of the inherent limitation 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 deducted. 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, 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, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute Of Chartered Accountants of India.

**For P.Murali & Co,**  
Chartered Accountants,  
Firm Registration No: 007257S.

  
**P. Murali Mohana Rao**  
Partner  
M.No:023412

Place: Hyderabad

Date: 27-05-2019

## Balance Sheet as at March 31, 2019

| Particulars                                   | Notes | As At 31.03.19<br>(₹) | As At 31.03.18<br>(₹) |
|-----------------------------------------------|-------|-----------------------|-----------------------|
| <b>I. ASSETS :</b>                            |       |                       |                       |
| <b>1. Non Current Assets:</b>                 |       |                       |                       |
| a) Property, Plant and Equipment              | 2     | 36,18,476             | 1,96,44,845           |
| b) Capital Work in Progress                   |       | -                     | -                     |
| c) Investment Property                        |       | -                     | -                     |
| d) Goodwill                                   |       | -                     | -                     |
| e) Other Intangible assets                    | 3     | 1,35,212              | -                     |
| f) Intangible assets under development        |       | -                     | -                     |
| g) Biological Assets other than bearer plants |       | -                     | -                     |
| h) Financial Assets                           |       |                       |                       |
| i) Investments                                | 4     | 68,25,00,000          | -                     |
| ii) Trade receivables                         |       |                       |                       |
| iii) Loans                                    |       |                       |                       |
| j) Deferred Tax Asset (net)                   | 5     | 21,00,442             | 16,60,014             |
| j) Other Non Current Assets                   |       |                       |                       |
| <b>Total Non-Current Assets</b>               |       | <b>68,83,54,130</b>   | <b>2,13,04,859</b>    |
| <b>2. Current Assets:</b>                     |       |                       |                       |
| a) Inventories                                |       |                       |                       |
| b) Financial Assets                           |       |                       |                       |
| i) Investments                                | 6     | 32,554                | 32,554                |
| ii) Trade Receivables                         | 7     | 43,32,95,008          | 31,45,32,638          |
| iii) Cash and Cash Equivalents                | 8     | 83,10,456             | 1,47,35,171           |
| iv) Bank balances other than(iii)             |       |                       |                       |
| v) Loans                                      |       |                       |                       |
| vi) Others (to be specified)                  | 9     | 12,08,395             | 11,05,359             |
| c) Current Tax Assets (Net)                   |       |                       |                       |
| d) Other Current Assets                       | 10    | 2,88,52,280           | 3,47,27,829           |
| <b>Total Current Assets</b>                   |       | <b>47,16,98,692</b>   | <b>36,51,33,552</b>   |
| <b>TOTAL ASSETS</b>                           |       | <b>1,16,00,52,823</b> | <b>38,64,38,410</b>   |
| <b>II. EQUITY AND LIABILITIES:</b>            |       |                       |                       |
| <b>Equity</b>                                 |       |                       |                       |
| a) Equity Share Capital                       | 11    | 19,79,16,482          | 16,10,83,924          |
| b) Other Equity                               | 12    | 76,54,87,817          | 7,83,80,198           |
| <b>Total Equity</b>                           |       | <b>96,34,04,299</b>   | <b>23,94,64,122</b>   |
| <b>Liabilities</b>                            |       |                       |                       |
| <b>1. Non Current Liabilities:</b>            |       |                       |                       |
| a) Financial Liabilities                      |       |                       |                       |
| i) Borrowings                                 |       |                       |                       |
| ii) Trade payables                            |       |                       |                       |
| iii) Other Financial Liabilities              | 13    | 3,36,97,805           | -                     |
| b) Provisions                                 |       |                       |                       |
| c) Deferred Tax Liabilities (Net)             | 14    | -                     | -                     |
| d) Other Non Current Liabilities              |       |                       |                       |
| <b>Total Non-Current Liabilities</b>          |       | <b>3,36,97,805</b>    | <b>-</b>              |
| <b>2. Current Liabilities:</b>                |       |                       |                       |
| a) Financial Liabilities                      |       |                       |                       |
| i) Borrowings                                 |       |                       |                       |
| ii) Trade payables                            | 15    | 2,69,38,528           | 2,52,46,303           |
| ii) Other Financial Liabilities               | 16    | 4,54,81,082           | 5,57,72,788           |
| b) Other Current Liabilities                  | 17    | 5,58,29,627           | 5,01,09,452           |
| c) Provisions                                 | 18    | 1,50,76,666           | 86,28,549             |
| d) Current Tax Liabilities (Net)              | 19    | 1,96,24,816           | 72,17,197             |
| <b>Total Current Liabilities</b>              |       | <b>16,29,50,719</b>   | <b>14,69,74,289</b>   |
| <b>TOTAL EQUITY &amp; LIABILITIES</b>         |       | <b>1,16,00,52,823</b> | <b>38,64,38,410</b>   |

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Summary of significant accounting policies

The accompanying notes 1-24 are integral part of financial statements

For: P.Murali & Co.,  
Firm Regn. No. 007257S  
Chartered Accountants

  
P. Murali Mohana Rao  
Partner  
Membership No. 023412

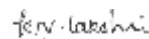
Place: Hyderabad  
Date : 27-05-2019

For and on behalf of the Board  
For Cybermate Infotek Limited

  
P.C Pantulu  
Managing Director  
DIN 01583136

  
P.Chandra Sekhar  
Director  
DIN 01647212

  
K.S. Shiva Kumar  
Director  
DIN 02103299

  
K.Venkata Lakshmi  
Company Secretary  
M.No A 21091



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

| Particulars                                                                       | Notes | As At 31.03.19<br>(₹) | As At 31.03.18<br>(₹) |
|-----------------------------------------------------------------------------------|-------|-----------------------|-----------------------|
| <b>INCOME</b>                                                                     |       |                       |                       |
| Revenue from Operations                                                           | 20    | 60,44,47,546          | 1,04,67,38,186        |
| Other Income, net                                                                 | 21    | 3,68,70,891           | 1,06,639              |
| <b>Total Income</b>                                                               |       | <b>64,13,18,437</b>   | <b>1,04,68,44,825</b> |
| <b>EXPENSES</b>                                                                   |       |                       |                       |
| Cost of materials consumed                                                        |       |                       |                       |
| Purchases of Licenses for Software Applications                                   |       | -                     | 4,67,271              |
| Changes in inventory of finished goods, Stock-in-Trade and WIP                    |       |                       |                       |
| Employee benefits expense                                                         | 22    | 48,95,48,023          | 58,38,09,053          |
| Finance costs                                                                     | 23    | 1,25,54,299           | -                     |
| Depreciation and amortization expenses                                            | 2&3   | 14,93,447             | 77,18,329             |
| Other expenses                                                                    | 24    | 6,36,89,368           | 42,37,73,017          |
| <b>Total Expenses</b>                                                             |       | <b>56,72,85,137</b>   | <b>1,01,57,67,671</b> |
| <b>PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS &amp; TAX</b>                           |       | <b>7,40,33,301</b>    | <b>3,10,77,155</b>    |
| Exceptional Items                                                                 |       |                       |                       |
| <b>PROFIT/(LOSS) BEFORE TAX</b>                                                   |       |                       |                       |
| <b>TAX EXPENSES:</b>                                                              |       |                       |                       |
| Current Tax                                                                       |       | 1,24,07,619           | -                     |
| Deferred Tax                                                                      | 5     | 4,40,429              | (70,19,586)           |
| <b>Profit (Loss) for the period from continuing operations</b>                    |       | <b>6,20,66,110</b>    | <b>3,80,96,741</b>    |
| <b>Profit/(loss) from discontinued operations</b>                                 |       | -                     | -                     |
| <b>Tax expenses of discontinued operations</b>                                    |       | -                     | -                     |
| <b>Profit/(loss) from Discontinued operations (after tax)</b>                     |       | -                     | -                     |
| <b>PROFIT/(LOSS) FOR THE PERIOD</b>                                               |       | <b>6,20,66,110</b>    | <b>3,80,96,741</b>    |
| <b>Other Comprehensive Income</b>                                                 |       |                       |                       |
| A. (i) Items that will not be reclassified to profit or loss                      |       | -                     | -                     |
| (ii) Income tax relating to items that will not be reclassified to profit or loss |       | 61,84,84,067          | -                     |
| B. (i) Items that will be reclassified to profit or loss                          |       |                       |                       |
| (ii) Income tax relating to items that will be reclassified to profit or loss     |       |                       |                       |
| <b>Total Comprehensive Income for the period (XIII+XIV)</b>                       |       | <b>68,05,50,177</b>   | <b>3,80,96,741</b>    |
| <b>Comprising Profit (Loss) and OCI for the period</b>                            |       |                       |                       |
| <b>EARNINGS PER EQUITY SHARE (for continuing operation)</b>                       |       |                       |                       |
| Equity shares of par value Rs.Each                                                |       |                       |                       |
| a) Basic (Rs.)                                                                    |       | 0.70                  | 0.47                  |
| b) Diluted (Rs.)                                                                  |       | 0.15                  | 0.47                  |

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Summary of significant accounting policies

The accompanying notes 1-24 are integral part of financial statements

For. P.Murali & Co.,  
Firm Regn. No. 007257S  
Chartered Accountants



P. Murali Mohana Rao  
Partner  
Membership No. 023412

Place: Hyderabad  
Date : 27-05-2019

For and on behalf of the Board  
For Cybermate Infotek Limited



P.C Pantulu  
Managing Director  
DIN 01583136



P.Chandra Sekhar  
Director  
DIN 01647212



K.S. Shiva Kumar  
Director  
DIN 02103299



K.Venkata Lakshmi  
Company Secretary  
M.No A 21091

## Statement of Changes In Equity for the Year Ended 31st March, 2019

in ₹

| Particulars                                                              | Equity share capital | Other Equity               |                   |                 |                |                                      |                                  |                         |                    | Total Equity attributable to equity holders of the company |
|--------------------------------------------------------------------------|----------------------|----------------------------|-------------------|-----------------|----------------|--------------------------------------|----------------------------------|-------------------------|--------------------|------------------------------------------------------------|
|                                                                          |                      | Reserves & Surplus         |                   |                 |                |                                      | Other Comprehensive Income (OCI) |                         |                    |                                                            |
|                                                                          |                      | Securities Premium Reserve | Retained Earnings | General reserve | Share Warrants | Business transfer adjustment reserve | Equity Instruments through OCI   | Cash Flow hedge reserve | Other items of OCI |                                                            |
| Balance as at 01-04-2017                                                 | 14,48,83,924         | -                          | 1,63,85,672       | -               | -              | -                                    | -                                | -                       | -                  | 1,63,85,672                                                |
| Changes in equity for year ended 31-03-19                                | -                    | -                          | -                 | -               | -              | -                                    | -                                | -                       | -                  | -                                                          |
| Inc. in share capital on account of fresh issue                          | 1,62,00,000          | 1,94,40,000                | -                 | -               | -              | -                                    | -                                | -                       | -                  | 1,94,40,000                                                |
| Issue of Share Warrants                                                  |                      |                            |                   |                 | 36,30,000      | -                                    |                                  | -                       | -                  | 36,30,000                                                  |
| Remeasurement of net defined benefit liability /asset, net of tax effect |                      |                            |                   |                 |                | -                                    |                                  | -                       | -                  | -                                                          |
| Fair Valuation of investments, net of tax effect                         |                      |                            |                   |                 |                | -                                    |                                  | -                       | -                  | -                                                          |
| Equity Instruments through other comprehensive income, net of tax effect |                      |                            |                   |                 |                | -                                    | 1,427                            | -                       | -                  | 1,427                                                      |
| Reversal of Provision                                                    |                      |                            | 8,26,358          |                 |                | -                                    |                                  | -                       | -                  | 8,26,358                                                   |
| Profit for the Period                                                    |                      |                            | 3,80,96,740       |                 |                | -                                    |                                  | -                       | -                  | 3,80,96,740                                                |
| Balance as at 31-03-2018                                                 | 16,10,83,924         | 1,94,40,000                | 5,53,08,771       | -               | 36,30,000      | -                                    | 1,427                            | -                       | -                  | 7,83,80,198                                                |
| Balance as at 01-04-2018                                                 | 16,10,83,924         | 1,94,40,000                | 5,53,08,771       | -               | 36,30,000      | -                                    | 1,427                            | -                       | -                  | 7,83,80,198                                                |
| Changes in equity for year ended 31-03-18                                |                      |                            |                   |                 |                |                                      |                                  |                         |                    | -                                                          |
| Inc. in share capital on account of fresh issue / Conversion of FCCB     | 3,02,32,558          | 22,67,442                  |                   |                 |                |                                      |                                  |                         |                    | 22,67,442                                                  |
| Issue of Share Warrants                                                  | 66,00,000            | 79,20,000                  |                   |                 |                |                                      |                                  |                         |                    | 79,20,000                                                  |
| Remeasurement of net defined benefit liability /asset, net of tax effect |                      |                            |                   |                 |                |                                      |                                  |                         |                    | -                                                          |
| Fair Valuation of investments, net of tax effect                         |                      |                            |                   |                 |                |                                      |                                  |                         |                    | -                                                          |
| Equity Instruments through OCI, net of tax effect                        |                      |                            |                   |                 |                |                                      | 61,84,84,067                     |                         |                    | 61,84,84,067                                               |
| Reversal of Provision                                                    |                      |                            |                   |                 |                |                                      |                                  |                         |                    | -                                                          |
| Profit for the Period                                                    |                      |                            | 6,20,66,110       |                 |                |                                      |                                  |                         |                    | 6,20,66,110                                                |
| Balance as at 31-03-2019                                                 | 19,79,16,482         | 2,96,27,442                | 11,73,74,881      | -               | -              | -                                    | 61,84,85,494                     | -                       | -                  | 76,54,87,817                                               |

For. P.Murali & Co.,  
Firm Regn. No. 007257S  
Chartered Accountants

  
P. Murali Mohana Rao  
Partner  
Membership No. 023412

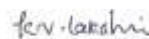
Place: Hyderabad  
Date : 27-05-2019

For and on behalf of the Board  
For Cybermate Infotek Limited

  
P.C Pantulu  
Managing Director  
DIN 01583136

  
P. Chandra Sekhar  
Director  
DIN 01647212

  
K.S. Shiva Kumar  
Director  
DIN 02103299

  
K. Venkata Lakshmi  
Company Secretary  
M.No A 21091

## Cash Flow Statement for the year ended 31st March 2019

| Particulars                                                           | As At 31.03.19<br>(₹) | As At 31.03.18<br>(₹) |
|-----------------------------------------------------------------------|-----------------------|-----------------------|
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>                        |                       |                       |
| Profit before taxation                                                | 7,40,33,301           | 3,10,77,154           |
| Adjustments for : -                                                   |                       |                       |
| Depreciation                                                          | 14,93,447             | 77,18,329             |
| Interest Expense                                                      | 1,25,54,299           | -                     |
| Amortisation of Product Development Cost                              |                       | -                     |
| Diminution in value of investment                                     |                       | -                     |
| Impairment of Intangible Asset                                        |                       | -                     |
| Interest Income                                                       | (7,056)               | -                     |
| Dividend Income                                                       |                       | (591)                 |
| Bad Debts Written Off                                                 |                       | -                     |
| <b>Operating Profit before working capital changes</b>                | <b>8,80,73,991</b>    | <b>3,87,94,892</b>    |
| (Increase) / Decrease in Income Tax Liability                         |                       | 8,44,45,409           |
| (Increase) / Decrease in Trade Receivables                            | (11,87,62,370)        | (97,61,606)           |
| (Increase) / Decrease in Other Current Assets                         | 58,75,549             | (8,01,94,155)         |
| Increase / (Decrease) in Trade Payables                               | 16,92,225             | (5,30,82,883)         |
| Increase / (Decrease) in Other Current Liabilities                    | (45,71,529)           | (56,98,093)           |
| Increase / (Decrease) in Short Term Provisions                        | 64,48,117             | (2,54,96,436)         |
| <b>Cash generated from Operations</b>                                 | <b>(2,12,44,017)</b>  | <b>8,26,358</b>       |
| <b>Taxes Paid</b>                                                     |                       | <b>(2,46,70,078)</b>  |
| <b>Net Cash Generated from Operating activities (A)</b>               | <b>(2,12,44,017)</b>  | <b>(63,45,07,520)</b> |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>                       |                       |                       |
| Purchase of tangible/intangible assets (net)                          | (13,46,431)           | (7,48,074)            |
| including transfer from CWIP                                          |                       |                       |
| Sale of Fixed Assets                                                  | 1,57,44,142           |                       |
| Decrease in Capital Work In Progress                                  |                       |                       |
| Interest Income                                                       |                       | 591                   |
| Dividend Income                                                       |                       | 1,00,000              |
| (Increase) in Current Investments                                     | (1,03,036)            |                       |
| (Decrease) in Non Current Investments                                 | (68,25,00,000)        |                       |
| (Decrease) in Other Non Current Asset                                 | 3,36,97,805           |                       |
| <b>Net Cash Flow from Investing Activities (B)</b>                    | <b>(63,45,07,520)</b> | <b>(6,47,483)</b>     |
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>                       |                       |                       |
| Issue of Share Capital                                                | 3,68,32,558           | 3,92,70,000           |
| Capital                                                               | 62,50,41,509          | (5,45,413)            |
| Increase in Short Term Borrowings                                     |                       |                       |
| Interest Paid                                                         | (1,25,47,245)         |                       |
| Increase in Long Term liabilities                                     |                       |                       |
| <b>Net Cash from Financing Activities (C)</b>                         | <b>64,93,26,822</b>   | <b>3,87,24,587</b>    |
| <b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b> | <b>(64,24,715)</b>    | <b>1,34,07,027</b>    |
| Cash & Cash Equivalents at the beginning of the year                  | 1,47,35,171           | 13,28,144             |
| <b>Cash &amp; Cash Equivalents at the end of the year</b>             | <b>83,10,456</b>      | <b>1,47,35,171</b>    |

### Notes

1. The Cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) Statement of Cash Flows.
2. The accompanying notes are an integral part of the financial statements.
3. Previous year figures have been regrouped /reclassified to conform to current year classification.

## 4. Cash and Cash Equivalents Comprise

| Particulars                                         | As At 31.03.19<br>(₹) | As At 31.03.18<br>(₹) |
|-----------------------------------------------------|-----------------------|-----------------------|
| Cash on hand                                        | 3,540                 | 1,638                 |
| Balances with Banks on Current and Deposit Accounts | 83,06,916             | 1,47,33,534           |
| <b>Total</b>                                        | <b>83,10,456</b>      | <b>1,47,35,171</b>    |

For. P.Murali & Co.,  
Firm Regn. No. 007257S  
Chartered Accountants

  
P. Murali Mohana Rao  
Partner  
Membership No. 023412

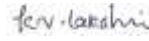
Place: Hyderabad  
Date : 27-05-2019

For and on behalf of the Board  
For Cybermate Infotek Limited

  
P.C Pantulu  
Managing Director  
DIN 01583136

  
P.Chandra Sekhar  
Director  
DIN 01647212

  
K.S.Shiva Kumar  
Director  
DIN 02103299

  
K.Venkata Lakshmi  
Company Secretary  
M.No A 21091

**Note 1:****Significant Accounting Policies****1. Corporate Information**

Cybermate is a Mid-Sized IT Services Company engaged in custom built software development, System Integration Services, Network & Surveillance, building and selling own Products, reselling third party products, business platforms, analytics, social media, mobile applications, cloud based solutions and outsourced business processes etc. Cybermate has over the years built and sold products for general IT use and domain specific solutions for Health Care, Telecom, Engineering, Energy and Retail. Cybermate is a public limited Company incorporated in India and has its registered and corporate office at Hyderabad, Telangana. The Company is listed on BSE Limited.

**2. Summary of Significant Accounting Policies****a. Compliance with Ind AS**

The Company has adopted Indian Accounting Standards (the "Ind AS") prescribed under Section-133 of the Companies Act, 2013 (the "Act"), read with the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standard) (Amendment) Rules, 2016, with effect from 1st April, 2017 with 1st April, 2016 as the date of transition. Accordingly, the Financial Statements have been prepared in accordance with the said Ind AS & Rules and other recognised accounting practices & policies to the extent applicable. For all periods up to and including the year ended 31st March, 2017, the Company had prepared its Financial Statements in accordance with accounting standards as prescribed under Section 133 of the Companies Act, 2013 (the "Act") read with Rule-7 of the Companies (Accounts) Rules, 2014 (referred to as "Indian GAAP"). The Company has consistently applied the accounting policies used in

the preparation of its opening Ind AS Balance Sheet at April, 2016 throughout all periods presented, as if these policies had always been in effect and are covered by Ind AS 101 "First-time adoption of Indian Accounting Standards". The transition was carried out from accounting principles generally accepted in India ("Indian GAAP") which is considered as the previous GAAP as defined in Ind AS 101.

The preparation of Financial Statements in conformity with Indian Accounting Standards (Ind AS) requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures at the date of the Financial Statements. The judgements, estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision effects only that period or in the period of the revision and future periods if the revision affects both current and future years and if material, their effects are disclosed in the notes to the Financial Statements. Actual results could vary from these estimates (Refer Note No.3 on critical accounting estimates, assumption and judgements).

**b. Basis of Preparation of Financial Statements:****i. Historical cost convention**

These Financial Statements have been prepared under the historical cost convention on the actual basis.

The Financial Statements are presented in Indian Rupees (\*) which is the Company's functional and presentation currency and all amounts are rounded to the nearest rupee except as otherwise stated.

**ii. Current versus Non-Current Classification:**

All assets and liabilities have been classified as current or non-current as per the Company's

operating cycle and other criteria set out in the schedule III to the Companies Act 2013. Based on the nature of products and services and their realisation in cash and cash equivalents the Company has ascertained its operating cycle as 12 months for the purpose of current – noncurrent classification of assets and liabilities.

### c. Principles of Consolidation

The Consolidated Financial Statements of Cybermate Infotek Limited and its overseas subsidiaries viz Cybermate Infotek Limited Inc and Cybermate International, Unipessoal LDA are prepared in accordance with the generally accepted accounting principles as applicable in India and the Indian Accounting Standard (Ind AS) 110 on Consolidated Financial Statements.

The Consolidated financial statements are prepared using uniform accounting policies for similar transactions to the extent in similar transactions to the extent in similar circumstances.

The Company consolidates financial statements of all entities which are controlled by it.

The financial statements of the company and its subsidiaries are consolidated on a line by line basis by adding together like items of assets and liabilities, income and expenses. Intragroup balances and intragroup transactions and resulting unrealised profits have been eliminated.

List of Overseas subsidiaries considered in consolidated financial statements

| Name of the Subsidiary                   | Country of Incorporation | Extent of holding as on |          |
|------------------------------------------|--------------------------|-------------------------|----------|
|                                          |                          | 31.03.19                | 31.03.18 |
| Cybermate Infotek Limited Inc            | USA                      | 100%                    | 100%     |
| Cybermate International, Unipessoal, LDA | Portugal                 | 100%                    | NA       |

### d. Property, Plant & Equipment:

#### i. Recognition and measurement

Property, Plant & Equipment are stated at cost less accumulated depreciation and impairment losses, if any.

Costs include costs of acquisitions or constructions including incidental expenses thereto, borrowing costs and other attributable costs of bringing the asset to its working condition for its intended use and are net of available duty/tax credits.

Subsequent expenditure relating to Property, Plant & Equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance costs are recognised in Statement of Profit & Loss as incurred.

Gains or losses arising from discard/sale of Property, Plant & Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of Profit & Loss when the asset is discarded/sold.

#### ii. Depreciation

The Company depreciates property plant and equipment on straight-line-method (SLM) as per the useful life of assets, as estimated by the management/independent professional, which are generally in line with Schedule-II to the Companies Act, 2013.

### e. Intangible Assets:

#### Recognition and Measurement

Intangible assets acquired separately are measured on initial recognition at cost. Subsequent to initial recognition, intangible assets are carried at cost less any accumulated amortisation and

accumulated impairment losses. In case of internally generated intangible asset arising from development activity is recognised at cost only if it's probable that the asset would generate future economic benefit and the expenditure attributable to said assets during its development can be measured reliably. Capital expenditure on purchase and development of identifiable on monetary assets without physical substance is recognised as Intangible Assets when:

It is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the cost of the asset can be measure reliably

#### ii. Depreciation

The Company Amortises/Depreciates Intangible Assets on the basis of estimated useful lives of Intangible assets are as follows:

| Particulars      | Useful life |
|------------------|-------------|
| Software License | 2 years     |

#### f. Impairment:

The carrying amount of Property, Plant & Equipment, Intangible Assets and Investment Property are reviewed at each Balance Sheet date to assets impairment, if any based on internal/external factors. An asset is treated as impaired when the carrying cost of asset or exceeds its recoverable value being higher of value in use and net selling price. An impairment loss is recognised as an expense in the Statement of Profit & Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed, if there has been an improvement in recoverable amount.

#### g. Foreign Currency Transactions:

##### i. Functional and Presentation currency:

Items included in the financial statements are measured using the currency of the primary

economic environment in which the entity operates ("functional Currency"). The Financial Statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

##### ii. Transactions and Balances:

Transactions in foreign currencies are translated into functional currency of the Company at rates prevailing at the date of the transaction. Foreign exchange gain or losses resulting from the settlement of such transactions and from translation of monetary assets and liabilities denominated in foreign currencies at the year-end exchange rates are generally recognised in Profit & Loss and reported with in Foreign exchange gain/(losses), except when deferred in other comprehensive income as qualifying cashflow hedges.

Non-monetary items that are measured in times of historical cost in a foreign currency are translated using the exchange rates at the dates of the transaction. Non-monetary items (other than investment in shares of Subsidiaries, Joint Ventures and Associates) carried at Fair Value that are denominated in foreign currencies are translated at the exchange rates prevailing at the date when the Fair Value was determined. Exchange component of the gain or loss arising on fair valuation of non-monetary items is recognised in line with the gain or loss of the item that gave rise to such exchange difference.

##### h. Revenue Recognition:

The Company derives revenue primarily from software development, maintenance of software/hardware and allied services, sale of software licenses.

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of trade allowances, rebates, discounts and value added taxes.



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

The Company estimates its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

#### **I. Time and Material Contracts**

Revenues and costs relating to time and materials contracts are recognized as the related services are rendered.

##### **ii. Fixed-price contracts:**

Revenues from fixed-price contracts, including IT Infrastructure development and integration contracts are recognized using the "percentage of completion" method. Percentage of completion is determined based on efforts or costs incurred to date as a percentage of total estimated efforts or costs required to complete the project. The efforts or cost expended are used to measure progress towards completion as there is a direct relationship between input and productivity. If the Company does not have a sufficient basis to measure the progress of completion or to estimate the total contract revenues and costs, revenue is recognized only to the extent of contract cost incurred for which recoverability is probable.

When total cost estimates exceed revenues in an arrangement, the estimated losses are recognized in the statement of income in the period in which such losses become probable based on the current contract estimates.

Advance payments received from customers for which no services have been rendered are presented as 'Advance from customers.

##### **iii. Services contracts:**

Revenue from maintenance contracts is recognized ratably over the period of the contract using the percentage of completion method. When services are performed through an indefinite number of repetitive acts over a specified period of time, revenue is recognized on a straight-line basis over the specified period unless some other method better represents the stage of completion. In certain projects, a fixed quantum of service or output units is agreed at a fixed price for a fixed term. In such contracts, revenue is recognized with respect to the actual output achieved till date as a percentage of total contractual output. Any residual service unutilized by the customer is recognized as revenue on completion of the term.

##### **iv. Sale of licenses:**

Revenue from sale of licenses and support are recognized when the significant risks and rewards of ownership have been transferred to the buyer, continuing managerial involvement usually associated with ownership and effective control have ceased, the amount of revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Company and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

##### **v. Other Income**

Profit on Sale of investments is recorded on transfer of title from the Company and is determined as the difference between the sale price and the carrying amount of the investment.

Dividend income is recognized when the Company's right to receive dividend is established Interest income on time deposits is recognized using time proportion basis taking into account the amount outstanding and applicable interest rates.

**i. Income Tax:**

Income Tax comprises current and deferred tax.

**Current tax** is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India and tax laws, prevailing in the respective tax, jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

The Company offsets current tax assets and current tax liabilities, where it has legally enforceable right to set off the recognised amounts and where it intends to settle on net basis, or to realise the asset and liability simultaneously.

**Deferred tax** is provided on temporary difference arising between the tax bases of assets & liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax is measured using the tax rate that are expected to apply in the year when the asset is realized, or the liability is settled based on the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred tax relating to items recognized directly in equity/other comprehensive income (OCI) is recognised in equity/ other comprehensive income (OCI) and not in the statement of Profit & Loss. Deferred tax asset is recognised to the extent that it is probable that sufficient future taxable profit will be available against which the deductible temporary differences and the carry forward unused tax credits and unused tax losses can be utilized. The carrying amount of deferred 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 tax asset to be utilized.

**Minimum Alternate 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.

**j. Provisions, Contingent Liabilities, Commitments and Contingent**

**Assets:** Provisions are recognised for present obligations of uncertain timing or amount arising as a result of a past event where a reliable estimate can be made, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

Where it is not probable that an outflow of resources embodying economic benefits will be required or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability and commitments, unless the probability of outflow of resources embodying economic benefits is remote. Contingent assets are not recognised but disclosed in the Financial Statements when an inflow of economic benefits is probable.

**k. Earnings per Share:**

Basic earnings per share is computed using the net profit/(loss) for the year (without taking impact of OCI) attributable to the equity shareholders and weighted average number of shares outstanding during the year. The weighted average numbers of shares also include fixed number of equity shares that are issuable on conversion of compulsorily convertible preference shares, debentures or any other instrument, from the date consideration is received (generally the date of their issue) of such instruments. The diluted EPS is calculated on the same basis as basic EPS after adjusting for the effect of potential dilutive equity shares unless impact is anti-dilutive.

**1. Segment Reporting:**

In accordance with the requirement of AS-17 on Segment reporting, the Company has determined its business segment as Computer Programming Consultancy and related services. There are no other primary reportable segments. Thus the segment revenue, segment result, total carrying amount of segment liabilities, total cost incurred to acquire segment assets, the total amount of charge for depreciation during the year are all reflected in the financial statement of the Company for the year ended 31st March 2018.

There are no secondary reportable segments (Geographical Segments).

**m. Financial Instruments:**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**i. Initial Recognition:**

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or release of financial assets and financial liabilities respectively, which are not at fair value through profit or loss are added to the fair value of underlying financial assets and liabilities on initial recognition. Trade receivables and trade payables that do not contain a significant financing component are initially measured at their transaction price.

**Subsequent Measurement:**

(a) Non-derivative financial instruments - Financial assets carried at amortised cost.

Financial asset is subsequently measured at

amortised cost which is held with objective to hold the asset in order to collect contractual cashflows and the contractual terms of the financial asset give rise on specified dates to cashflows that are solely payments of principal and interest on the principal amount outstanding.

**iii. Financial asset at fair value through other comprehensive income:**

A financial asset is subsequently measured at fair value through other comprehensive income which is held with objective to achieve both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has made an election for its investments which are classified as equity instruments (other than investment in shares of Subsidiaries, Joint Ventures and Associates) to present the subsequent changes in fair value through profit and loss account.

**iv. Financial assets at fair value through profit or loss:**

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss. The Company has elected to measure its investments, which are classified as equity instruments (other than investment in shares of Subsidiaries, Joint Ventures and Associates) at fair value through profit and loss account.

**v. Financial Liabilities:**

Financial liabilities are subsequently carried at amortized cost using the effective interest method. Financial liabilities at fair value through profit and loss includes financial liability held for trading and financial liability designated upon initial recognition as at fair value through profit and loss.

**n. Investment in Subsidiaries, Associates and Joint Ventures:**

Investment in equity shares of subsidiaries, associates and joint ventures is carried at cost in the standalone financial statements.

**o. Earnings per share :**

The basic earnings per share is computed by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share and also the weighted average number of equity shares which would have been issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period unless they have been issued at a later date.

**p. Employee Benefits:**

Contributions to Provident and Employee State Insurance etc accruing during the accounting period are charged to the statement of Profit and Loss. Provision for liabilities in respect of gratuity are accrued and provided at the end of each accounting period. Gratuity liability towards existing eligible employees will be met by the fund administered by LIC.

**3. Critical Accounting – Estimates, Assumptions and Judgements:****i. Property, Plant & Equipment:**

External advisor and/or internal technical team assesses the remaining useful life and residual value of property, plant & equipment. Management believes that the assigned useful lives and residual values are reasonable.

**iii. Intangibles:**

Internal technical and user team assess the remaining useful lives of intangible assets. Management believes that assigned useful lives are reasonable. All intangibles are carried at net book value on transition.

**iii. Other Estimates:**

The Company estimates the un-collectability of accounts receivables by analysing historical payment patterns, customer concentrations, customer creditworthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required. Similarly, the Company provides for inventory obsolescence, excess inventory and inventories with carrying values in excess of net realizable value based on assessment of the future demand, market conditions and specific inventory management, initiatives. In all cases, inventory is carried at the lower of historical cost and net realizable value.

## Note 2 : Property, Plant & Equipment

The changes in the carrying value of Property, Plant and Equipment for the year ended March 31,2019  
in ₹

| Particulars                               | Buildings   | Electrical Equipment | Office Equipment | Computer Equipment | Furniture and Fixtures | Total       |
|-------------------------------------------|-------------|----------------------|------------------|--------------------|------------------------|-------------|
| Gross Carrying Value as of 01-04-2018     | 2,41,31,497 | 58,30,011            | 18,86,453        | 1,42,02,144        | 1,24,67,764            | 5,85,17,868 |
| Additions                                 |             | 24,480               | 1,97,845         | 4,18,661           | 5,32,173               | 11,73,159   |
| Deductions                                | 2,41,31,497 |                      |                  |                    |                        | 2,41,31,497 |
| Gross Carrying Value as of 31-03-2019     | -           | 58,54,491            | 20,84,298        | 1,46,20,805        | 1,29,99,936            | 3,55,59,531 |
| Additions                                 |             |                      |                  |                    |                        | -           |
| Deductions                                |             |                      |                  |                    |                        | -           |
| Accumulated depreciation as of 01-04-2018 | 83,87,355   | 55,05,098            | 17,77,014        | 1,34,41,494        | 97,62,062              | 3,88,73,023 |
| Depreciation                              |             | 35,655               | 44,710           | 88,853             | 12,86,169              | 14,55,387   |
| Accumulated depreciation on deletions     | 83,87,355   |                      |                  |                    |                        | 83,87,355   |
| Accumulated depreciation as of 31-03-2019 | -           | 55,40,753            | 18,21,724        | 1,35,30,347        | 1,10,48,231            | 3,19,41,055 |
| Carrying Value as of 31-03-2019           | -           | 3,13,738             | 2,62,574         | 10,90,458          | 19,51,706              | 36,18,476   |
| Carrying Value as of 01-04-2018           | 1,57,44,142 | 3,24,913             | 1,09,439         | 7,60,650           | 27,05,702              | 1,96,44,845 |

The changes in the carrying value of Property, Plant and Equipment for the year ended March 31,2018  
in ₹

| Particulars                               | Buildings   | Electrical Equipment | Office Equipment | Computer Equipment | Furniture and Fixtures | Total       |
|-------------------------------------------|-------------|----------------------|------------------|--------------------|------------------------|-------------|
| Gross Carrying Value as of 01-04-2017     | 2,41,31,497 | 56,45,629            | 18,86,453        | 1,40,00,458        | 1,21,05,757            | 5,77,69,794 |
| Additions                                 |             | 1,84,382             |                  | 2,01,686           | 3,62,006               | 7,48,074    |
| Deductions                                |             |                      |                  |                    |                        | -           |
| Gross Carrying Value as of 31-03-2018     | 2,41,31,497 | 58,30,011            | 18,86,453        | 1,42,02,144        | 1,24,67,763            | 5,85,17,868 |
| Additions                                 |             |                      |                  |                    |                        | -           |
| Deductions                                |             |                      |                  |                    |                        | -           |
| Accumulated depreciation as of 01-04-2017 | 80,09,925   | 52,23,238            | 17,77,014        | 1,33,91,773        | 94,96,988              | 3,78,98,938 |
| Depreciation                              | 3,77,430    | 2,81,860             | -                | 49,721             | 2,65,074               | 9,74,085    |
| Accumulated depreciation on deletions     |             |                      |                  |                    |                        | -           |
| Accumulated depreciation as of 31-03-2018 | 83,87,355   | 55,05,098            | 17,77,014        | 1,34,41,494        | 97,62,062              | 3,88,73,023 |
| Carrying Value as of 31-03-2018           | 1,57,44,142 | 3,24,913             | 1,09,439         | 7,60,650           | 27,05,701              | 1,96,44,845 |
| Carrying Value as of 01-04-2017           | 1,61,21,572 | 4,22,391             | 1,09,439         | 6,08,685           | 26,08,769              | 1,98,70,856 |

## Note 3 : Intangible Assets

The Changes in the Carrying Value of acquired intangible assets for the year ended March 31, 2019 are as follows:

| Particulars                               | Total (in ₹) |
|-------------------------------------------|--------------|
| Gross carrying value as of 01-04-2018     | 38,46,58,457 |
| Additions                                 | 1,73,272     |
| Deletions                                 |              |
| Gross carrying value as of 31-03-2019     | 38,48,31,729 |
| Accumulated amortisation as of 01-04-2018 | 38,46,58,457 |
| Amortisation expenses                     | 38,060       |
| Deletions                                 |              |
| Accumulated amortisation as of 31-03-2019 | 38,46,96,517 |
| Carrying value as of 31-03-2019           | 1,35,212     |
| Carrying value as of 31-03-2018           | 1,73,272     |

The Changes in the Carrying Value of acquired intangible assets for the year ended March 31, 2018 are as follows:

| Particulars                               | Total (in ₹) |
|-------------------------------------------|--------------|
| Gross carrying value as of 01-04-2017     | 38,46,58,457 |
| Additions                                 |              |
| Deletions                                 |              |
| Gross carrying value as of 31-03-2018     | 38,46,58,457 |
| Accumulated amortisation as of 01-04-2017 | 37,79,14,213 |
| Amortisation expenses                     | 67,44,244    |
| Deletions                                 |              |
| Accumulated amortisation as of 31-03-2018 | 38,46,58,457 |
| Carrying value as of 31-03-2018           | -            |
| Carrying value as of 31-03-2017           | 67,44,244    |

**Note 4 : Financial Investments**

| Particulars                                               | As At 31.03.19<br>(₹) | As At 31.03.18<br>(₹) |
|-----------------------------------------------------------|-----------------------|-----------------------|
| Investment in Non Current Investments                     |                       |                       |
| by the Subsidiary Cybermate International, Unipessol, LDA | -                     | -                     |
| Healthcare Infotek, Togo                                  | 68,25,00,000          | -                     |
| <b>Total Non Current Investments</b>                      | <b>68,25,00,000</b>   | <b>-</b>              |

**Note 5 : Deferred Tax Asset**

| Particulars                                  | As At 31.03.19<br>(₹) | As At 31.03.18<br>(₹) |
|----------------------------------------------|-----------------------|-----------------------|
| Opening Deferred tax Asset                   | 16,60,014             |                       |
| Current year adjustments                     | 4,40,429              | 16,60,014             |
| Gross Deferred tax Asset                     |                       |                       |
| <b>Deferred Tax Liability/ (Asset) - Net</b> | <b>21,00,442</b>      | <b>16,60,014</b>      |

**Note 6 : Current Investments**

| Particulars                                             | As At 31.03.19<br>(₹) | As At 31.03.18<br>(₹) |
|---------------------------------------------------------|-----------------------|-----------------------|
| Equity instruments of other Companies-Quoted            |                       |                       |
| Tech Mahindra Ltd(5 equity shares of Rs.10/-each)       | 3,192                 | 3,192                 |
| HCL Infosystems Ltd (100 Equity Shares of Rs. 2/- each) | 5,100                 | 5,100                 |
| Syndicate Bank Ltd (100 Equity Shares of Rs.10/- each)  | 5,555                 | 5,555                 |
| HCL Technologies Ltd 10 Equity Shares of Rs.2/- each)   | 9,695                 | 9,695                 |
| APTECH LTD (25 Equity Shares of Rs.2/- each)            | 6,454                 | 6,454                 |
| ITC Ltd (10 Equity Shares of Rs.1/- each)               | 2,559                 | 2,559                 |
| Equity instruments of other Companies-UnQuoted          | -                     | -                     |
| <b>Total Current Investments</b>                        | <b>32,554</b>         | <b>32,554</b>         |



**Note 7 : Trade Receivables**

| Particulars                    | As At 31.03.19<br>(₹) | As At 31.03.18<br>(₹) |
|--------------------------------|-----------------------|-----------------------|
| Current                        |                       |                       |
| Unsecured                      |                       |                       |
| Considered good                | 43,32,95,008          | 31,45,32,638          |
| Considered doubtful            | -                     | -                     |
| <b>Total Trade Receivables</b> | <b>43,32,95,008</b>   | <b>31,45,32,638</b>   |

**Note 8 : Cash & Cash Equivalents**

| Particulars                              | As At 31.03.19<br>(₹) | As At 31.03.18<br>(₹) |
|------------------------------------------|-----------------------|-----------------------|
| Balances with Banks                      |                       |                       |
| In Current & Deposit accounts            | 83,06,916             | 1,47,33,534           |
| Cash on hand                             | 3,540                 | 1,638                 |
| <b>Total Cash &amp; Cash Equivalents</b> | <b>83,10,456</b>      | <b>1,47,35,171</b>    |

**Note 9 : Other Financial Assets**

| Particulars                         | As At 31.03.19<br>(₹) | As At 31.03.18<br>(₹) |
|-------------------------------------|-----------------------|-----------------------|
| Current                             |                       |                       |
| Security Deposits                   | 2,99,588              | 3,01,688              |
| Rental Deposits                     | 9,08,807              | 8,03,671              |
| <b>Total Other Financial Assets</b> | <b>12,08,395</b>      | <b>11,05,359</b>      |

**Note 10 : Other CurrentAssets**

| Particulars                          | As At 31.03.19<br>(₹) | As At 31.03.18<br>(₹) |
|--------------------------------------|-----------------------|-----------------------|
| Current                              |                       |                       |
| Advances Recoverable in cash or kind | 18,19,028             | 1,34,30,542           |
| Advance Taxes & Duties               | 2,69,64,502           | 2,12,97,287           |
| Other Current Assets                 | 68,750                |                       |
| <b>Total Other CurrentAssets</b>     | <b>2,88,52,280</b>    | <b>3,47,27,829</b>    |

**Note 11 : Share Capital**

| Particulars                                                | As At 31.03.19<br>(₹) | As At 31.03.18<br>(₹) |
|------------------------------------------------------------|-----------------------|-----------------------|
| Equity Share Capital                                       |                       |                       |
| Authorised                                                 | 85,00,00,000          | 85,00,00,000          |
| C.Y 42,50,00,000 (P.Y. 42,50,00,000) shares of Re.2/- each |                       |                       |
| Issued,Subscribed and Paid up                              | 19,79,16,482          | 16,10,83,924          |
| C.Y 9,89,58,241( P.Y. 8,05,41,962 ) shares of Re.2/- each  |                       |                       |
| <b>Total Paid up Equity Share Capital</b>                  | <b>19,79,16,482</b>   | <b>16,10,83,924</b>   |

**Authorised :** The Company's Authorised Capital is of Rs.85,00,00,000 (Previous Year Same) distributed into 42,50,00,000 (Previous Year Same) Equity Shares Of Rs.10/- each

**Issued, Subscribed & Paid-Up :** The Issued and Subscribed Capital of the Company as at 31st March 2019 is of Rs.19,79,16,482, represented by 9,89,58,241 Equity shares of Rs.2/- each and Paid up Capital as at 31st March 2018 is of Rs.16,10,83,924, represented by 8,05,41,962 Equity Shares of Rs.2/- each as at 31st March 2018.

**The reconciliation of the Equity Share Capital of the Company is given as under:**

| Particulars                                     | Issued & Subscribed |                     | Fully Paid-up      |                     | Partly Paid-up |            |
|-------------------------------------------------|---------------------|---------------------|--------------------|---------------------|----------------|------------|
|                                                 | Number              | Amount (₹)          | Number             | Amount (₹)          | Number         | Amount (₹) |
| Balance as at 31st March 2018                   | 8,05,41,962         | 16,10,83,924        | 8,05,41,962        | 16,10,83,924        | -              | -          |
| Add :1% unsecured FCCB                          | 1,51,16,279         | 3,02,32,558         | 1,51,16,279        | 3,02,32,558         | -              | -          |
| Add:Share Warrants transferred to share Capital | 33,00,000           | 66,00,000           | 33,00,000          | 66,00,000           | -              | -          |
| <b>Balance as at 31st March 2019</b>            | <b>9,89,58,241</b>  | <b>19,79,16,482</b> | <b>9,89,58,241</b> | <b>19,79,16,482</b> | <b>-</b>       | <b>-</b>   |

**The Company's Paid-up Capital of Rs.19,79,16,482 ( Previous Year Same ) Equity Shares of Rs.2/- each, is distributed as under:**

| Particulars                                                                                    | As At 31.03.19<br>Number % |       | As At 31.03.18<br>Number % |       |
|------------------------------------------------------------------------------------------------|----------------------------|-------|----------------------------|-------|
| a) Promoter & Promoter Group of which Shareholders holding more than 5% of the Paid up Capital |                            |       |                            |       |
| 1. Mr.P.C.Pantulu                                                                              | 1,68,15,820                | 17    | 1,68,15,820                | 20.88 |
| 2. Global Focus Fund                                                                           | 1,51,16,279                | 15.28 | -                          | -     |

## Note 12 : Other Equity

in ₹

| Particulars                                                              | Reserves & Surplus         |                   |                 |                |                                      | Other Comprehensive Income (OCI) |                         |                    | Total Equity attributable to equity holders of the company |
|--------------------------------------------------------------------------|----------------------------|-------------------|-----------------|----------------|--------------------------------------|----------------------------------|-------------------------|--------------------|------------------------------------------------------------|
|                                                                          | Securities Premium Reserve | Retained Earnings | General reserve | Share Warrants | Business transfer adjustment reserve | Equity Instruments through OCI   | Cash Flow hedge reserve | Other items of OCI |                                                            |
| <b>Balance as at 01-04-2017</b>                                          | -                          | 1,63,85,672       | -               | -              | -                                    | -                                | -                       | -                  | 1,63,85,672                                                |
| Changes in equity for year ended 31-03-19                                | -                          | -                 | -               | -              | -                                    | -                                | -                       | -                  | -                                                          |
| Inc. in share capital on account of fresh issue                          | 1,94,40,000                | -                 | -               | -              | -                                    | -                                | -                       | -                  | 1,94,40,000                                                |
| Issue of Share Warrants                                                  |                            |                   |                 | 36,30,000      | -                                    |                                  | -                       | -                  | 36,30,000                                                  |
| Remeasurement of net defined benefit liability /asset, net of tax effect |                            |                   |                 |                | -                                    |                                  | -                       | -                  | -                                                          |
| Fair Valuation of investments, net of tax effect                         |                            |                   |                 |                | -                                    |                                  | -                       | -                  | -                                                          |
| Equity Instruments through other comprehensive income, net of tax effect |                            |                   |                 |                | -                                    | 1,427                            | -                       | -                  | 1,427                                                      |
| Reversal of Provision                                                    |                            | 8,26,358          |                 |                | -                                    |                                  | -                       | -                  | 8,26,358                                                   |
| <b>Profit for the Period</b>                                             |                            | 3,80,96,740       |                 |                | -                                    |                                  | -                       | -                  | 3,80,96,740                                                |
| <b>Balance as at 31-03-2018</b>                                          | 1,94,40,000                | 5,53,08,771       | -               | 36,30,000      | -                                    | 1,427                            | -                       | -                  | 7,83,80,198                                                |
| <b>Balance as at 01-04-2018</b>                                          | 1,94,40,000                | 5,53,08,771       | -               | 36,30,000      | -                                    | 1,427                            | -                       | -                  | 7,83,80,198                                                |
| Changes in equity for year ended 31-03-18                                |                            |                   |                 |                | -                                    |                                  | -                       | -                  | -                                                          |
| Inc. in share capital on account of fresh issue                          | 22,67,442                  |                   |                 |                |                                      |                                  |                         |                    | 22,67,442                                                  |
| Issue of Share Warrants                                                  | 79,20,000                  |                   |                 |                |                                      |                                  |                         |                    | 79,20,000                                                  |
| Remeasurement of net defined benefit liability /asset, net of tax effect |                            |                   |                 |                |                                      |                                  |                         |                    | -                                                          |
| Fair Valuation of investments, net of tax effect                         |                            |                   |                 |                |                                      |                                  |                         |                    | -                                                          |
| Equity Instruments through OCI, net of tax effect                        |                            |                   |                 |                |                                      | 61,84,84,067                     |                         |                    | 61,84,84,067                                               |
| Reversal of Provision                                                    |                            |                   |                 |                |                                      |                                  |                         |                    | -                                                          |
| <b>Profit for the Period</b>                                             |                            | 6,20,66,110       |                 |                |                                      |                                  |                         |                    | 6,20,66,110                                                |
| <b>Balance as at 31-03-2019</b>                                          | 2,96,27,442                | 11,73,74,881      | -               | -              | -                                    | 61,84,85,494                     | -                       | -                  | 76,54,87,817                                               |

**Note 13 : Financial Liabilities**

| Particulars                 | As At 31.03.19<br>(₹) | As At 31.03.18<br>(₹) |
|-----------------------------|-----------------------|-----------------------|
| Other Financial Liabilities | 3,36,97,805           | -                     |
| <b>Total</b>                | <b>3,36,97,805</b>    | <b>-</b>              |

**Note 14 : Deferred Tax Liability**

| Particulars                                               | As At 31.03.19<br>(₹) | As At 31.03.18<br>(₹) |
|-----------------------------------------------------------|-----------------------|-----------------------|
| Opening Deferred tax Liability                            | -                     | 53,59,572             |
| Add:                                                      | -                     | -                     |
| Deferred Tax adjustment ( Due to SLM and WDV Difference ) | -                     | (70,19,586)           |
| Deferred Tax Liability for the year ( Due to Others )     | -                     | -                     |
| <b>Gross Deferred tax Liability</b>                       | <b>-</b>              | <b>-</b>              |
| Opening Deferred tax Asset                                | -                     | -                     |
| Deferred Tax adjustment ( Due to SLM and WDV Difference ) | -                     | 16,60,014             |
| <b>Gross Deferred tax Asset</b>                           | <b>-</b>              | <b>-</b>              |
| <b>Deferred Tax Liability/ ( Asset ) - Net</b>            | <b>-</b>              | <b>16,60,014</b>      |

**Note 15 : Trade Payables**

| Particulars                                    | As At 31.03.19<br>(₹) | As At 31.03.18<br>(₹) |
|------------------------------------------------|-----------------------|-----------------------|
| Dues to other than Micro and small enterprises | 2,69,38,528           | 2,52,46,303           |
| <b>Total Trade Payables</b>                    | <b>2,69,38,528</b>    | <b>2,52,46,303</b>    |

**Note 16 : Other Financial Liabilities**

| Particulars                                | As At 31.03.19<br>(₹) | As At 31.03.18<br>(₹) |
|--------------------------------------------|-----------------------|-----------------------|
| Current maturities of Long Term Borrowings | -                     | 3,03,00,174           |
| Short Term Borrowings                      | -                     | -                     |
| From Others                                | 4,54,81,082           | -                     |
| Unsecured loans                            | -                     | 2,54,72,613           |
| <b>Total Other Financial Liability</b>     | <b>4,54,81,082</b>    | <b>5,57,72,788</b>    |

**Note 17 : Other Current Liabilities**

| Particulars                            | As At 31.03.19<br>(₹) | As At 31.03.18<br>(₹) |
|----------------------------------------|-----------------------|-----------------------|
| Interest Payable                       | -                     | -                     |
| Outstanding Expenses Payable           | -                     | -                     |
| Audit Fee Payable                      | 2,25,000              | 2,95,000              |
| Directors Remuneration Payable         | 2,37,31,272           | 1,95,96,473           |
| Other Payable                          | 3,18,73,355           | 3,02,17,979           |
| <b>Total Other Current Liabilities</b> | <b>5,58,29,627</b>    | <b>5,01,09,452</b>    |

**Note 18 : Provisions**

| Particulars                     | As At 31.03.19<br>(₹) | As At 31.03.18<br>(₹) |
|---------------------------------|-----------------------|-----------------------|
| Provision for Employee Benefits | -                     | -                     |
| PF Payable                      | 9,48,051              | 72,532                |
| ESI Payable                     | 1,24,672              | 8,327                 |
| PT Payable                      | 2,81,832              | 2,19,282              |
| Salaries Payable                | 1,16,20,577           | 73,57,500             |
| Others                          |                       |                       |
| Statutory Liabilities           | 19,57,444             | 9,70,907              |
| Others                          | 1,44,089              |                       |
| <b>Total Provisions</b>         | <b>1,50,76,665</b>    | <b>86,28,547</b>      |

**Note 19 : Income tax Liability**

| Particulars              | As At 31.03.19<br>(₹) | As At 31.03.18<br>(₹) |
|--------------------------|-----------------------|-----------------------|
| Current Income Tax (Net) | 1,96,24,816           | 72,17,197             |
| <b>Total</b>             | <b>1,96,24,816</b>    | <b>72,17,197</b>      |

**Note 20 : Revenue from operations**

| Particulars                          | As At 31.03.19<br>(₹) | As At 31.03.18<br>(₹) |
|--------------------------------------|-----------------------|-----------------------|
| Revenue from Operations              |                       |                       |
| Domestic Sales                       | 1,11,75,255           | 64,09,82,018          |
| Export Sales                         | 59,32,72,291          | 40,57,56,168          |
| <b>Total Revenue from Operations</b> | <b>60,44,47,546</b>   | <b>1,04,67,38,186</b> |

**Note 21 : Other Income**

| Particulars                                                                                               | As At 31.03.19<br>(₹) | As At 31.03.18<br>(₹) |
|-----------------------------------------------------------------------------------------------------------|-----------------------|-----------------------|
| (a) Dividend Income                                                                                       |                       | 591                   |
| (b) Net Gain on sale of Investments / Assets                                                              | 2,41,50,517           |                       |
| (c) Other non-operating income (net of expenses directly attributed to such income)                       |                       | 1,06,048              |
| (d) Net gain/loss on foreign currency translation and transaction (other than considered as finance cost) | 1,27,20,374           | -                     |
| <b>Total Other Income</b>                                                                                 | <b>3,68,70,891</b>    | <b>1,06,639</b>       |

**Note 22 : Employee Benefits Expenses**

| Particulars                                 | As At 31.03.19<br>(₹) | As At 31.03.18<br>(₹) |
|---------------------------------------------|-----------------------|-----------------------|
| (a) Salaries & Wages                        | 48,59,32,123          | 58,13,75,203          |
| (b) Contribution to Provident & Other Funds | 5,88,078              | 3,67,458              |
| (c) Staff Welfare Expenses                  | 30,27,822             | 20,66,392             |
| <b>Total Employee Benefit Expenses</b>      | <b>48,95,48,023</b>   | <b>58,38,09,053</b>   |

**Note 23 : Finance Cost**

| Particulars               | As At 31.03.19<br>(₹) | As At 31.03.18<br>(₹) |
|---------------------------|-----------------------|-----------------------|
| Interest Charges          | 1,25,54,299           | -                     |
| <b>Total Finance Cost</b> | <b>1,25,54,299</b>    | <b>-</b>              |

**Note 24 : Administrative & Other Operating Expenses**

| Particulars                                      | As At 31.03.19<br>(₹) | As At 31.03.18<br>(₹) |
|--------------------------------------------------|-----------------------|-----------------------|
| (a) Telephone, Postage and Others                | 7,90,243              | 3,43,484              |
| (b) Business Promotion Expenses                  | 1,30,419              | 92,429                |
| (c) Conveyance                                   | 6,75,738              | 12,01,202             |
| (d) Office Maintenance                           | 2,17,52,655           | 79,19,276             |
| (e) Printing & Stationery Expenses               | 2,95,467              | 5,07,261              |
| (f) Security Charges                             |                       | 1,86,427              |
| (g) Managerial Remuneration                      | 50,40,000             | 50,40,000             |
| (h) RTA & Secretarial Expenses                   | 11,69,338             | 11,61,620             |
| (i) Professional Consultancy fee                 | 1,82,16,222           | 30,89,43,007          |
| (j) Board Meeting Expenses                       | 1,10,000              | 1,86,048              |
| (k) Bank Charges                                 |                       | 56,016                |
| (l) Rent                                         | 16,80,918             | 20,57,384             |
| (m) Legal Expenses                               |                       | 14,63,448             |
| (n) Electricity & Water                          | 5,06,678              | 3,87,667              |
| (o) AGM Expenses                                 | 2,49,080              | 1,13,200              |
| (p) Payment to Auditors:                         |                       |                       |
| (i) As Auditor                                   | 2,50,000              | 2,95,000              |
| (ii) For Taxation Matters                        |                       | -                     |
| (q) Investments Written Off                      | -                     | 1,00,000              |
| (r) Recruitment Expenses                         | 69,77,819             | 3,47,99,131           |
| (s) Service Charges                              | 33,43,768             | 5,89,20,417           |
| (t) Operating Expenses                           | 25,01,023             | -                     |
| <b>Total Administrative &amp; Other Expenses</b> | <b>6,36,89,368</b>    | <b>42,37,73,017</b>   |

## Notes to Accounts

### 25. NCLT Order- Going Concern Assumption

During the year one individual and another overseas corporate had approached the National company Law Tribunal, Hyderabad claiming amounts as financial creditors under section 7 of the Insolvency and Bankruptcy code 2016.

The company had made submissions before the NCLT denying the allegations and dues to the petitioners. The NCLT, Hyderabad passed orders on the 26th March 2018 admitting the petition and appointed an Insolvency Resolution Professional thereby suspending the board of the company.

The IRP took charge and made announcements in the newspapers on the 01st May 2018 inviting claims of the creditors.

The IRP also issued a notice of meeting of Committee of Creditors to be held on the 21st May 2018.

Meanwhile Mr. P. Chandra Sekhar, one of the promoters of the company filed an appeal before the National Company Law Appellate Tribunal, New Delhi (NCLAT) seeking a stay on the IBC proceedings.

The NCLAT did not grant a stay and posted the matter for hearing on the 21st May 2018.

Aggrieved by the order of the NCLAT not inclined to grant a stay Mr. P. Chandra Sekhar, approached the Honourable Supreme Court of India seeking a stay on the IBC proceedings. The Hon'ble Supreme Court granted a stay on the 18th May 2018 on the order of the NCLT dated 26-03-2018. Thus, the board of the company was restored. The matter is pending adjudication before the Hon'ble Supreme Court of India.

The auditors have laid emphasis on this matter in their report and the same is clarified as follows.

- a. The Company is not a party to the Loan Agreement, or the Settlement deed presented by the Financial Creditors before the NCLT.
- b. Going Concern assumption is considered appropriate by the management on the basis of merits and the financial statements have been prepared by applying normal principles of recognition and measurement.

### 26. Contingent Liabilities

The Following are the contingent liabilities not provided for in respect of matters under dispute

| ₹ in lakhs   |                 |                 |
|--------------|-----------------|-----------------|
| Particulars  | 2019            | 2018            |
| Income Tax   | 1,861.80        | 1,090.93        |
| Others       | 1.35            | 1.35            |
| <b>Total</b> | <b>1,863.15</b> | <b>1,092.28</b> |

### 27. Subsidiary Companies

- i. Cybermate Infotek Limited Inc USA

The Operations of the company's wholly owned subsidiaries viz Cybermate Infotek Limited Inc at U.S.A have remained dormant since the year 2002.

The company is presently evaluating the possibility of reviving the operations after fulfilling compliances and by making additional investments.

- ii. Cybermate International, Unipessoal LDA

The Company has incorporated a wholly owned subsidiary at Portugal for marketing its health care platform in Europe and African Region. The company is yet to commence operations

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures in Form AOC - 1 is annexed to the Directors' Report as Annexure D pursuant to first proviso to sub-section (3) of



section 129 of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014.

## 28. Preferential Allotment of Shares Consequent to Conversion of Share warrants of Promoters and Investors.

During the Previous year, on the basis of the resolution approved by the shareholders at the extraordinary general meeting held on the 18th May 2017, the company allotted 81,00,000 equity share warrants to promoters and 33,00,000 equity share warrants to Investors at a price of Rs. 4.40 (including premium of Rs.2.40) per equity share warrant on part payment of 25 % of the amount payable.

The following is the status of allotment of equity share warrants, exercise of conversion to equity shares exercised and lapsed warrants if any.

|              | No of Equity Share Warrants |                    |          |
|--------------|-----------------------------|--------------------|----------|
|              | Subscribed                  | Exercised          | Lapsed   |
| Promoters    | 81,00,000                   | 81,00,000          | -        |
| Investors    | 33,00,000                   | 33,00,000          | -        |
| <b>Total</b> | <b>1,14,00,000</b>          | <b>1,14,00,000</b> | <b>-</b> |

## Utilisation of Proceeds

2017-2018

| Share Warrant Proceeds                     | 25 percent Rs. | 75 percent Rs. | Total Received Rs. |
|--------------------------------------------|----------------|----------------|--------------------|
| Promoters                                  | 81,00,000      | 89,10,000      | 2,67,30,000        |
| Investors                                  | 33,00,000      | 36,30,000      | -                  |
| <b>Total</b>                               |                |                | <b>3,92,70,000</b> |
| Utilisation of Proceeds                    |                |                |                    |
| General Corporate Purposes/Working Capital |                |                | 3,92,70,000        |
| Balance/Unutilised                         |                |                | -                  |

2018-2019

| Share Warrant Proceeds                     | 25 percent Rs. | 75 percent Rs. | Total Received Rs. |
|--------------------------------------------|----------------|----------------|--------------------|
| Promoters                                  | -              | -              | -                  |
| Investors                                  | 33,00,000      | 1,08,90,000    | 1,08,90,000        |
| <b>Total</b>                               |                |                | <b>1,08,90,000</b> |
| Utilisation of Proceeds                    |                |                |                    |
| General Corporate Purposes/Working Capital |                |                | 1,08,90,000        |
| Balance/Unutilised                         |                |                | -                  |

## 29. Segment Reporting

In accordance with the requirement of IND AS-108 on segment reporting, the company has determined its business segment as computer programming consultancy, and related services. There are no other primary reportable segments, and secondary reportable segments.

There are no secondary reportable segments (Geographical Segments).

| Particulars                                                                                                    | 2019 (₹)    | 2018 (₹)    |
|----------------------------------------------------------------------------------------------------------------|-------------|-------------|
| Profits attributable to Equity Shareholders                                                                    | 6,20,66,110 | 3,80,96,740 |
| Weighted Average No. Of Equity Shares outstanding during the year for computing Basic and Diluted EPS (Shares) | 9,89,58,241 | 8,05,41,962 |
| Basic EPS - Rs.                                                                                                | 0.70        | 0.47        |
| Diluted EPS- Rs.                                                                                               | 0.15        | 0.47        |

**31. Related Party Disclosures****I. Key Management Personnel**

Mr. P.C. Pantulu – Managing Director

Mr. K.S. Shiva Kumar – Director

Mr. P. Chandra Sekhar – Director

Mr. K. Koteswara Rao - Director

Ms. C. Kamakshi Bharathi- Director

Mr. V.S.Roop Kumar- Director

Mr. B.Srinivasa Reddy - Director

Mr. Suraj Bharadwaj – Director

**II. Parties where control exists - Wholly Owned Subsidiary**

Cybermate Infotek Limited Inc

Cybermate International Unipessol, LDA

**III. Enterprises controlled by Key Management Personnel**

Orchasp Consulting (P) Ltd

Orchasp Securities (P) Ltd

CIL Infoserve Ltd

Bilwa Infrastructure Ltd

**IV. Relatives of Key Management Personnel**

Mrs. P. Rajeswari – Wife of Mr.P.C.Pantulu.

Mrs. P. Sirisha – Daugher of Mr.P.C.Pantulu

Mr. P. Srikrishna – Brother of Mr.P.C.Pantulu

Mrs. K. Sirisha- Wife of Mr.P.Chandra Sekhar

Mr.P. Manjush – cousin of Mr.P.Chandra Sekhar

Mr.K. Bhujangarao – Father In Law of Mr.P.Chandra Sekhar

## Related Party Transactions

₹ in lakhs

| Particulars                                         | 2018-19           |                 | 2017-18           |                 |
|-----------------------------------------------------|-------------------|-----------------|-------------------|-----------------|
|                                                     | Transaction Value | Closing Balance | Transaction Value | Closing Balance |
| <b>A. Rendering of Software Services</b>            |                   |                 |                   |                 |
| (a) CIL Infoserve Ltd                               | 123.28            | 288.95          | 3,635.47          | 209.49          |
| (b) Orchasp Securities (P) Ltd                      | 22.12             | 17.37           | 215.66            | -               |
| (c) Bilwa Infrastructure Ltd (Kantirekha Power Ltd) | 180.86            | 569.44          | 393.33            | 393.33          |
| (d) Orchasp Consulting (P) Ltd                      | 45.05             | 3.57            | -                 | -               |
| <b>Total</b>                                        | <b>371.32</b>     | <b>879.34</b>   | <b>4,244.47</b>   | <b>602.82</b>   |
| <b>B. Advances taken</b>                            |                   |                 |                   |                 |
| Key Management Personnel                            |                   |                 |                   |                 |
| (a) Mr.P.C.Pantulu                                  | 1.74              | 184.93          | 46.53             | 187.36          |
| (b) Mr.P.Chandra Sekhar                             | 9.90              | 1.92            | 11.19             | 63.65           |
| <b>Total</b>                                        | <b>11.64</b>      | <b>186.84</b>   | <b>57.72</b>      | <b>251.01</b>   |
| Relatives of Key Managerial Personnel               |                   |                 |                   |                 |
| (a) Ms.Rajeswari Pattapurathi                       | -                 | 17.03           | -                 | 17.03           |
| (b) Ms.Sirisha Kasukhela                            | -                 | 41.27           | 4.00              | 43.48           |
| (c) Mr. Manjush Pattapurathi                        | -                 | 5.00            | -                 | 5.00            |
| (d) Mr. Srikrishna Pattapurathi                     | -                 | 1.87            | -                 | 5.00            |
| (e) Mr. K.Bhujanga Rao                              | 9.60              | -               | -                 | (9.60)          |
| <b>Total</b>                                        | <b>9.60</b>       | <b>65.17</b>    | <b>4.00</b>       | <b>60.91</b>    |
| Enterprises Controlled by Key Management Personnel  |                   |                 |                   |                 |
| (a) Bilwa Infrastructure Ltd                        | -                 | -               | 683.56            | -               |
| (b) Orchasp Consulting (P) Ltd                      | 1.30              | -               | 40.20             | -               |
| (c) Orchasp Securities (P) Ltd                      | -                 | -               | 395.93            | -               |
| (d) CIL Infoserve Ltd                               | -                 | -               | 73.13             | -               |
| <b>Total</b>                                        | <b>1.30</b>       | <b>-</b>        | <b>1,192.82</b>   | <b>-</b>        |
| <b>D. Managerial Remuneration</b>                   |                   |                 |                   |                 |
| (a) Mr.K.S.Shiva Kumar                              | 8.42              | 75.94           | 8.50              | 67.51           |
| (b) Mr.P.Chandra Sekhar                             | 9.50              | 82.44           | 9.50              | 73.81           |
| (c) Mr.P.C.Pantulu                                  | 26.78             | 78.94           | 26.86             | 54.64           |
| <b>Total</b>                                        | <b>44.71</b>      | <b>237.31</b>   | <b>44.86</b>      | <b>195.96</b>   |

**Aggregated Related party Disclosures**

₹ in lakhs

| Nature of Transaction           | Associate/<br>Subsidiary | Key<br>Management<br>Personnel | Relatives of Key<br>Management<br>Personnel | Relatives of Key<br>Management<br>Personnel | Enterprises<br>controlled by<br>relatives of Key<br>Management<br>Personnel | Total          |
|---------------------------------|--------------------------|--------------------------------|---------------------------------------------|---------------------------------------------|-----------------------------------------------------------------------------|----------------|
| Remuneration                    | -                        | 50.40(50.40)                   | -                                           | -                                           | -                                                                           | 50.40(50.40)   |
| Trade Payables                  | -                        | -                              | -                                           | -                                           | -                                                                           | -              |
| Trade Receivables               | -                        | -                              | -                                           | -                                           | 94.81(5457.2)                                                               | 94.81(5457.2)  |
| Advances/Loans/ICDs<br>Received | -                        | 11.64(57.71)                   | 9.60(4.00)                                  | 9.60(4.00)                                  | 1.30(1192.8)                                                                | 22.54(1254.54) |
| Advances/Loans/ICDs<br>Repaid   | -                        | 66.77(241.1)                   | 5.34(40.95)                                 | 5.34(40.95)                                 | 1.30(1300.80)                                                               | 73.41(1582.85) |
| Balances as on 31-03-19         |                          |                                |                                             |                                             |                                                                             |                |
| Receivable                      | -                        | -                              | -                                           | -                                           | 879.34(602.82)                                                              | 879.34(602.82) |
| Payable                         | -                        | 186.84(251.01)                 | 65.71(60.91)                                | 65.71(60.91)                                | NIL(NIL)                                                                    | 252.55(311.92) |

Previous years figures have been regrouped where ever necessary

**32. Payments to Auditors**

| Particulars         | 2019 (₹)        | 2018 (₹)        |
|---------------------|-----------------|-----------------|
| As Auditor          |                 |                 |
| For Statutory Audit | 1,50,000        | 1,50,000        |
| For Tax Audit       | 75,000          | 75,000          |
| For Limited Review  | 25,000          | - 25,000        |
| <b>Total</b>        | <b>2,50,000</b> | <b>2,50,000</b> |

**33. Foreign Currency Convertible Bonds**

|                                                                             |              |
|-----------------------------------------------------------------------------|--------------|
| <b>(a) Utilisation</b>                                                      |              |
| No of FCCBs Issued                                                          | 105          |
| Value of each bond USD                                                      | 1,00,000     |
| Total FCCB Offering USD                                                     | 1,05,00,000  |
| Investment in Wholly owned Subsidiary- USD                                  | 1,05,00,000  |
| Balance Unutilised -USD                                                     | -            |
| <b>(b) No of Bonds outstanding</b>                                          |              |
| No of FCCBs Issued                                                          | 105          |
| No of Bonds converted into Equity Shares                                    | 5            |
| <b>Balance FCCBs outstanding</b>                                            | <b>100</b>   |
| <b>(c) Initial Recognition of Foreign Currency Convertible Bonds (FCCB)</b> |              |
| Equity Component of FCCB's                                                  | 65,09,84,067 |
| Liability Component of FCCB's                                               | 3,15,15,932  |
| Less: Allotment of Shares                                                   | 3,25,00,000  |
| Closing Balance                                                             | 65,00,00,000 |

**(d) Disclosure**

The FCCB is presented under other Equity as it is treated as an embedded derivative in accordance with IND AS 32, 107 and 107 as mentioned in the accounting policy on Financial Instruments.

**34. Earnings in Foreign Currency**

₹ in lakhs

| Particulars     | 2019           | 2018            |
|-----------------|----------------|-----------------|
| Export Earnings | 5932.72        | 4,057.56        |
| <b>Total</b>    | <b>5932.72</b> | <b>4,057.56</b> |

**35. Expenditure in Foreign Currency**

₹ in lakhs

| Particulars                    | 2019            | 2018         |
|--------------------------------|-----------------|--------------|
| Operational Expenses           | 4,596.45        | -            |
| Consultancy & Professional Fee | 10.19           | 33.70        |
| Service Charges                | 33.28           | -            |
| Preliminary Expenses           | 35.15           | -            |
| Interest - FCCB                | 69.04           | -            |
| Consultants Fee                | -               | -            |
| Travel                         | -               | 1.77         |
| <b>Total</b>                   | <b>4,744.11</b> | <b>35.47</b> |

**36. Debtors, Creditors, Loans and Advances are subject to confirmation and reconciliation.**

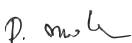
**37. Previous year figures have been regrouped and rearranged wherever necessary to conform to this years' classification.**

**As per our report of even date**

P. Murali &amp; Co

FRN:007257S

Chartered Accountants


**P. Murali Mohan Rao**

Partner

Membership No 023412

Place: Hyderabad

Date: 27-05-2019

**For and on behalf Board**

For Cybermate Infotek Limited


**P.C. Pantulu**

Managing Director &amp; CEO

DIN 01583136


**P. Chandra Sekhar**

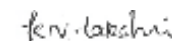
Director &amp; CFO

DIN 01647212


**K.S. Shiva Kumar**

Director &amp; COO

DIN 02103299


**K. Venkata Lakshmi**

Company Secretary

M.No. A21091



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**CYBERMATE INFOTEK LIMITED**

CIN:L72200TG1994PLC017485

Regd. Office : Plot No 19 & 20. Moti Valley, Trimulgherry Secunderabad - 500 015.

**25th Annual General Meeting - 16th September, 2019**

**MGT-11**

**PROXY FORM**

(Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the Member(s) : .....  
Registered address : .....  
E-Mail Id : .....  
Folio No/Client Id : .....  
DPId : .....

I/We, being a Member (s) Members of ..... shares of the above named Company, hereby appoint

1. Name:..... Address:.....  
Email Id..... Signature:.....or failing him
2. Name:..... Address:.....  
Email Id..... Signature:.....or failing him
3. Name:..... Address:.....  
Email Id..... 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 25th Annual General Meeting of the Company to be held on Monday, 16th September 2019 at at 10.30 am at Moksh Banquets, 221, Tivoli Road, Secunderabad. 500003 and at any adjournment thereof in respect of such resolutions indicated below

|    |                                                                                                                                                               |                     |
|----|---------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|
| 1. | Adoption of Financial Statements and Report of Board of Directors and Auditors thereon, for financial year ended March 31, 2019                               | Ordinary Resolution |
| 2. | Re-appointment of M/ s P.Murali & Co, Chartered Accountants (Firm Registration No 007257S) as Statutory Auditors of the Company and to Fix their remuneration | Ordinary Resolution |
| 3. | Re-appointment of Mr. P.C. Pantulu as Chairman and Managing Director of the Company                                                                           | Special Resolution  |
| 4. | Re-appointment of Mr. K.S. Shiva Kumar as Director (Operations) and Chief Operating Officer of the Company                                                    | Special Resolution  |
| 5. | Increase in remuneration of Mr. P. Chandra Sekhar, Director (Finance) and Chief Financial Officer of the Company                                              | Special Resolution  |
| 6. | Appointment of Mr. Suraj Bharadwaj as Independent Director of the Company                                                                                     | Special Resolution  |

Signed.....this.....day of.....2019

Signature of the Shareholder : .....

Signature of Proxy holder(s) : .....

Affix  
Revenue  
Stamp

**Note:**

The proxy form duly completed must be deposited at the Registered Office of the Company addressed to Secretarial Department, Cybermate Infotek Ltd. at 19 & 20. Moti Valley, Trimulgherry, Secunderabad. - 500 015, Telangana .. Not less than 48 Hrs. before the time for holding the meeting. A proxy need not be Member.



**CYBERMATE  
INFOTEK LIMITED**

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**CYBERMATE INFOTEK LIMITED**

CIN:L72200TG1994PLC017485

Regd. Office : Plot No 19 & 20. Moti Valley, Trimulgherry Secunderabad - 500 015.

**25th Annual General Meeting - 16th September, 2019**

**MGT-12**

**POLLING PAPER**

| S.No | Particulars                                               | Details |
|------|-----------------------------------------------------------|---------|
| 1    | Name of the First Named Shareholder<br>(in block letters) |         |
| 2    | Postal Address                                            |         |
| 3    | Registered Folio No/Client ID)                            |         |
| 4    | Class of Share                                            | Equity  |
| 5    | No of Shares                                              |         |

I Hereby exercise my vote in respect of Ordinary/Special Resolution enumerated below by recording my assent or dissent to the said resolution in the following manner:

| S.No | Resoluti<br>on No | Matter of resolution                                                                                                                                          | No of<br>Shares | I assent to<br>the<br>resolution | I dissent<br>to the<br>resolution |
|------|-------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|----------------------------------|-----------------------------------|
| 1    | 1                 | Adoption of Financial Statements and Report of Board of Directors and Auditors thereon,for financial year ended March 31, 2019                                |                 |                                  |                                   |
| 2    | 2                 | Re-appointment of M/ s P.Murali & Co, Chartered Accountants (Firm Registration No 007257S) as Statutory Auditors of the Company and to Fix their remuneration |                 |                                  |                                   |
| 3    | 3                 | Re-appointment of Mr. P.C. Pantulu as Chairman and Managing Director of the Company                                                                           |                 |                                  |                                   |
| 4    | 4                 | Re-appointment of Mr. K.S. Shiva Kumar as Director (Operations) and Chief Operating Officer of the Company                                                    |                 |                                  |                                   |
| 5    | 5                 | Increase in remuneration of Mr. P. Chandra Sekhar, Director (Finance) and Chief Financial Officer of the Company                                              |                 |                                  |                                   |
| 6    | 6                 | Appointment of Mr. Suraj Bharadwaj as Independent Director of the Company                                                                                     |                 |                                  |                                   |

Place : Hyderabad  
Date : 16-09-2019

Signature of Shareholder/Proxy





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**CYBERMATE INFOTEK LIMITED**

CIN:L72200TG1994PLC017485

Regd. & Corp. Office: No. 19 & 20, Moti Valley, Trimulgherry, Secunderabad - 500 015.

Tel: 040 - 4776 6123/124, Fax: 040 - 4776 6143

Email id: secretarial@cybermateinfotek.com website: www.cybermateinfotek.com

**25th Annual General Meeting - 16th September, 2019**  
**Attendance Slip**

Registered Folio No. / DP ID No. / Client ID No.:

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|

Number of shares held

|  |  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|--|
|  |  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|--|

I certify that I am a member / proxy / authorized representative for the member of the Company.

I hereby record my presence at the 25th Annual General Meeting of the Company at the Moksh Banquets, 221, Tivoli Road, Secunderabad - 500 003, Telangana, India, on Monday, September 16th, 2019 at 10.30 AM IST.

-----  
Name of the member / proxy  
(in BLOCK letters)

-----  
Signature of the member / proxy

Note: Please fill in this attendance slip and hand it over at the entrance of the meeting hall.



## Route Map to the Venue of the 25th AGM

### Moksh Banquets

221, Tivoli Road,  
Secunderabad- 03  
Telangana, India





## NOTE



## NOTE



## NOTE

# BOARD OF CYBERMATE INFOTEK LIMITED

|                                 |                             |
|---------------------------------|-----------------------------|
| <b>Mr. P. C. Pantulu</b>        | Managing Director & CEO     |
| <b>Mr. K. S. Shiva Kumar</b>    | Director - Operations & COO |
| <b>Mr. P. Chandra Sekhar</b>    | Director - Finance & CFO    |
| <b>Mr. K. Koteswara Rao</b>     | Non-Executive Director      |
| <b>Ms. C. Kamakshi Bharathi</b> | Independent Director        |
| <b>Mr. B. Srinivasa Reddy</b>   | Independent Director        |
| <b>Mr. Suraj Bharadwaj</b>      | Additional Director         |
| <b>Mr. V. S. Roop Kumar</b>     | Independent Director        |

Company Secretary & Compliance Officer  
**Ms. K. Venkata Lakshmi**

## Annual General Meeting on 16th September 2019 at 10.30 AM

|                              |                                                                                                                                                              |
|------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Venue</b>                 | <b>Moksh Banquets</b><br>221, Tivoli Road Secunderabad. 500003.<br>Telangana.                                                                                |
| <b>Auditors</b>              | <b>P.Murali &amp; Co</b><br>Statutory Auditor<br>Chartered Accountants<br>6-3-655/2/3, Somajiguda, Hyderabad. 500<br>082. Telangana                          |
| <b>Secretarial Auditor</b>   | <b>Madhavi Ganti, Partner</b><br>CAS & Associates, Company Secretaries<br>2nd Floor, Plot No 2, Surya Enclave Road,<br>Trimulgherry, Secunderabad - 500 015. |
| <b>CIN</b>                   | <b>L72200TG1994PLC017485</b>                                                                                                                                 |
| <b>Registered Office</b>     | 19 & 20, Moti Valley, Trimulgherry<br>Secunderabad. 500015. Telangana.                                                                                       |
| <b>e-mail: Investors</b>     | <b>secretarial@cybermateinfotek.com</b>                                                                                                                      |
| <b>e-mail: General</b>       | <b>info@cybermateinfotek.com</b>                                                                                                                             |
| <b>website</b>               | <b>www.cybermateinfotek.com</b>                                                                                                                              |
| <b>Listing</b>               | <b>BSE Ltd</b><br><b>Phiroze Jeejeebhoy Towers.</b><br><b>Dalal Street, Fort, Mumbai - 400 001</b>                                                           |
| <b>ISIN No</b>               | <b>INE215B01022</b>                                                                                                                                          |
| <b>Stock Code</b>            | <b>532271</b>                                                                                                                                                |
| <b>Registrar &amp; Share</b> | <b>Aarthi Consultants (P) Ltd</b>                                                                                                                            |
| <b>Transfer Agent</b>        | Gagan Mahal, Street No 7, Aravindra Nagar,<br>Domalguda, Hyderabad - 500 029. Telangana                                                                      |



## BOOK POST



  
**CYBERMATE  
INFOTEK LIMITED**  
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Regd. & Corp. Office: 19 & 20, Moti Valley, Trimulgherry,  
Secunderabad - 500 015. Telangana State, INDIA.  
Phone: +91 40 47766123 / 24, Fax: +91 40 47766143  
Email: [info@cybermateinfotek.com](mailto:info@cybermateinfotek.com)  
Website: [www.cybermateinfotek.com](http://www.cybermateinfotek.com)