

24th

ANNUAL REPORT 2018-2019





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



CyberTech

Systems and Software Limited

Corporate Information

Corporate Identity Number (CIN) L72100MH1995PLC084788

BOARD OF DIRECTORS

Chairman

Mr. Vish Tadimety (Non – Executive)

Directors

Mr. Sudhir Joshi (Independent)

Mr. M. P. Bharucha (Independent)

Dr. N. L. Sarda (Independent)

Dr. Shreepad Karmalkar (Independent)

Ms. Angela C. Wilcox (Independent)

Mr. Steven Jeske (Non-Executive)

Mr. Ramasubramanian S. (Executive)

Ms. Amogha Tadimety (Non-Executive)

KEY MANAGERIAL PERSONNEL

Mr. Praveen Agarwal (CFO)

Ms. Sarita Leelaramani (Company Secretary)

AUDITORS

Bagaria & Co. LLP, Chartered Accountants
(Statutory Auditors)

Desai Associates, Chartered Accountants
(Internal Auditors)

S. Anantha & Ved LLP, Company Secretaries
(Secretarial Auditors)

REGISTRAR & SHARE TRANSFER AGENT

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

REGISTERED OFFICE

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

BRANCH OFFICE

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

SOLICITORS

M/s. Bharucha & Partners, Mumbai

LISTED AT

National Stock Exchange of India Ltd.
BSE Ltd.

BANKERS

Union Bank of India

WHOLLY OWNED SUBSIDIARIES

CyberTech Systems and Software Inc. USA

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

Spatialitics LLC, USA

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



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CyberTech

Systems and Software Limited

LETTER TO SHAREHOLDERS

Dear Fellow Shareholders,

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

Financial Highlights

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

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

Business Matters

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

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

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

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

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

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

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



CyberTech

Systems and Software Limited

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

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

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

With regards,

Vish Tadimety
Chairman

Trevose, PA, USA
Date: August 12, 2019

NOTICE

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

ORDINARY BUSINESS:

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

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

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

SPECIAL BUSINESS:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

By Order of the Board of Directors

sd/-

Sarita Leelaramani
Company Secretary and Compliance Officer
Membership No. A35587

Place: Thane

Date: August 12, 2019

Registered Office:

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

CIN: L72100MH1995PLC084788

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

Website: www.cybertech.com

E-mail: cssl.investors@cybertech.com

NOTES:

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