

MD		BKC	✓
CS	✓	DPY	NA
RO		DIV	✓
TRA	✓	AC	✓
AGM	✓	SHI	✓
YE	✓		✓



CyberTech
Systems and Software Limited



3rd Annual Report
1997-98





CyberTech Systems and Software Limited

Regd. Office : 313, MIDAS, Sahar Plaza, J.B. Nagar, Andheri-Kurla Road, Andheri (East), Mumbai - 400 059

ATTENDANCE SLIP

(Shareholders attending the Meeting in person or by Proxy are requested to complete the attendance slip and hand over the same at the entrance of the Meeting hall)

I hereby record my presence at the **THIRD ANNUAL GENERAL MEETING** of the Company to be held on **Monday, the 28th day of September, 1998 at Y. B. Chavan Centre, Convention Hall (4th Floor), Gen.J.Bhosle Marg, Mumbai-400 021 at 4.00 p.m**

Folio No. _____

Full name of the Shareholder/Proxy _____
(in block letters)

Signature

PLEASE BRING THIS ATTENDANCE SLIP TO THE MEETING

----- TEAR HERE -----



CyberTech Systems and Software Limited

Regd. Office : 313, MIDAS, Sahar Plaza, J.B. Nagar, Andheri-Kurla Road, Andheri (East), Mumbai - 400 059

PROXY FORM

I/We _____
of _____ in the district of _____
being a member/members of **CyberTech Systems and Software Limited** hereby appoint _____ of _____ in the district of _____ or failing him _____ of _____ in the district of _____ as my/our proxy to vote for me/us and on my/our behalf at the **THIRD ANNUAL GENERAL MEETING** of the Company to be held on **Monday, the 28th day of September, 1998 at 4.00 p.m** and at any adjournment thereof.

Signed this _____ day of _____ 1998.

Folio No : _____

No. of Shares held : _____

Re. 1/-
Revenue
Stamp

Signature of
Shareholder

NOTE : This form duly completed should be deposited at the Registered Office of the Company before 48 hours of the meeting. A proxy need not be a member.





CyberTech

Systems and Software Limited

BOARD OF DIRECTORS

Mr. V. Prasad Rao
Mr. V .K. Garg
Mr. Vishwanath Tadimety
Mr. Atul Agrawal
Mr. A. V. Rajwade
Mr. M. P. Bharucha
Mr. A. R. Datar
Mr. P.M. Rao

Chairman
Whole-Time Director
Director
Director
Director
Director
Director
Director

**FINANCIAL CONTROLLER
cum COMPANY SECRETARY**

Mr. V. Sundara Raman

SOLICITORS

M/s. Amarchand & Mangaldas &
Suresh A. Shroff & Co.

AUDITORS

M/s. G.N. Joshi Associates &
M/s. Lovelock & Lewes
Chartered Accountants

BANKERS

State Bank of India
Corporation Bank
Central Bank of India

REGISTERED OFFICE

313, MIDAS Sahar Plaza
J.B. Nagar, Andheri-Kurla Road
Andheri (East), Mumbai - 400 059

**REGISTRAR &
SHARE TRANSFER AGENT**

Intime Share Services Pvt. Ltd
260-A, Shanti Industrial Estate
Sarojini Naidu Road
Mulund (West)
Mumbai - 400 080



Chicago, USA
August 21, 1998



V. Prasad Rao
Chairman

Dear Shareholders,

Information Technology world over is unequivocally established and recognized for bringing revolutionary changes in business, education, entertainment and other walks of life. Satellite communications, Networking, Multimedia, Voice and Data technologies have made the world a large Global Village. In the field of Information technology, India with its intellectual and competent computer professionals in abundance, is well poised to emerge as a strong global player. Taking cognizance of this fact, the Government of India, direct from the Prime Minister's office is pursuing several pragmatic policy measures for quickly achieving greater heights of prosperity for the Indian Economy.

In this direction, your Company being one of the industry participants is striving hard to achieve higher growth rate in revenue and profitability. The Company achieved and exceeded every promise it made at the time of its maiden Public Issue. The Company's revenue for the year ending March, 1998 has grown to Rs.1301.65 lacs and registered an impressive growth rate of 65.26% over the previous year's revenue of Rs.787.64 lacs. The Net Profit also increased to Rs.745 lacs from Rs.518.33 lacs of the previous year. The impeccable commitment and contribution of every individual at CyberTech made this possible and hence deserve an applause from you.

In terms of operations, CyberTech provides services in all phases of a system life cycle, including (i) IT Consulting (strategy and analysis), (ii) Project Services (design, implementation and post implementation) and (iii) Contract Programming. The Technology Practice Model has been designed to be readily adaptable to address other existing and emerging technologies, while adapting to the changing needs of the clients.

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In order to pursue and achieve higher growth, your Company needed to be well positioned in the global market. To successfully achieve this, the Company, with your approval and permission from FIPB, allotted equity shares to CyberTech International Corporation, USA as a 51% Holding Company and a strategic business partner. We have thus become a part of global CyberTech family with strong presence in USA and Europe.

CyberTech USA, while participating with the investment in your Company, brought private equity investments from M/C Partners and JMI Equity, USA. M/C Partners is a specialized investment firm that provides equity financing and strategic guidance to entrepreneurial management teams in media, telecommunications, and selected service sectors. JMI Equity Fund, L.P. is a private equity investment partnership focused on investments in technology-oriented growth companies in the software and information services sectors.

Mr. Chris Gaffney and Mr. Bob Sywolski joined the board of CyberTech USA representing the new investors in CyberTech USA. Mr. Gaffney brings to the table his experiences in banking and corporate M&A in the IT industry. For twelve years Mr. Sywolski was the Chairman and CEO of Cap Gemini, a system integration, management consulting and information technology services Company which he grew to \$250 million. With the support and active participation of these Directors, CyberTech USA will derive immense benefits that will automatically percolate to your Company. Incidentally, Inc. Magazine has ranked CyberTech USA #31 on the 1997 list of America's fastest growing private companies.

CyberTech USA has established strategic alliances with SAP, Microsoft and Cisco and capitalize on the growth of IT services business world-wide. The Company is a SAP implementation partner, a Microsoft Champion Partner and a CISCO premier partner. CyberTech has leveraged these alliances to provide cost effective and up to date skill enhancement to its IT professionals and to build new end user client relationships.

The Company utilizes its growing base of Advance Technology Centres (ATC) to attract, develop and retain IT professionals and provide off-site and off-shore software development capabilities. ATCs provide new Company professionals with six months intensive training in a certain Technology Practice (e.g. SAP). In addition, Company professionals return regularly to ATCs between assignments to continue to develop and enhance existing skills or to develop new skills in other technologies. The Company has invested extensively in the technologies it support so that its IT professionals learn to resolve real world challenges such as performing actual software implementations while at the ATCs. These ATCs also provide off-site software development and project support for clients. The centres offer the capability to design, engineer, construct, test and support solutions with off-shore price advantages which can be combined with local project oversight. The Company also uses its ATCs to research and analyze emerging technology platforms, and software application development and maintenance.



The Company's 65,000 square feet state-of-the-art Advanced Technology Centre that can house approximately 800 software professionals, expected to be commissioned by end August 98, will handle global off-shore projects. The Company proposes to invest in additional infrastructure facilities including :

- International Business office in Mumbai to expand its operations into Middle Eastern and Asian markets.
- An ATC at Hyderabad (similar to the one at Thane) and
- Residential facilities for employees at Mumbai and Hyderabad to attract and retain the best talent for off-shore project execution.

With these goals and objectives, your Company is well positioned to achieve higher growth rate in revenue and profitability. With the continued support and commitment, sincerity and hard work of every employee, I am confident that you will be a proud shareholder of 'CyberTech', enjoying rich rewards.

Thanking you,

Sincerely,

V. Prasad Rao

Chairman

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Third Annual Report 1997-98

NOTICE

Notice is hereby given that the Third Annual General Meeting of the members of **CyberTech Systems and Software Limited** will be held on **Monday, the 28th day of September, 1998** at Convention Hall, 4th Floor, Y.B.Chavan Centre, Gen.Jagannath Bhosle Marg, Nariman Point, Mumbai - 400 021 at 4.00 p.m to transact the following businesses :

AS ORDINARY BUSINESS :

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 1998 and the Profit and Loss Account for the year ended as on that date alongwith Schedules and the Reports of Directors and Auditors thereon.
2. To declare dividend on Equity Shares.
3. To appoint a Director in place of Mr. Vishwanath Tadimety, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Mr. A.V. Rajwade, who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint Auditors of the Company and to fix their remuneration.

"RESOLVED THAT M/s. Lovelock & Lewes, Chartered Accountants, the retiring Joint Auditors of the Company, be and are hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company at a remuneration as may be mutually agreed to between the Auditors and the Board of Directors of the Company."

AS SPECIAL BUSINESS :

6. To consider and if thought fit, to pass with or without modifications, the following resolution as an **Ordinary Resolution** :

"RESOLVED THAT pursuant to Section 309, 310 and other applicable provisions, if any, of the Companies Act, 1956, the Company hereby accords its approval to the payment of increased salary to Mr. V. K. Garg, Whole-time Director of the Company

- a) from Rs.23,000/- (Rupees Twenty-three Thousand Only) per month to Rs.37,000/- (Rupees Thirty-seven Thousand Only) per month and an increase in all perquisites based on the salary, with effect from October 01, 1997 till March 31, 1998 and
- b) from Rs.37,000/- (Rupees Thirty-seven Thousand Only) per month to Rs.46,000/- (Rupees Forty-six Thousand Only) per month and an increase in all perquisites based on the salary, with effect from April 01, 1998, with liberty to the Board of Directors of the Company to alter and vary the remuneration, terms and conditions of the appointment and/or Agreement of the Whole-Time Director, subject to the limits specified in Schedule XIII to the Companies Act, 1956 or any amendments thereto or any statutory modification or re-enactment thereof from time to time, as may be agreed to between the Directors and Mr. V. K. Garg."

7. To consider and if thought fit, to pass with or without modifications, the following resolution as a **Special Resolution** :

"RESOLVED THAT pursuant to Section 31 and other applicable provisions, if any, of the Companies Act, 1956, the Articles of Association of the Company be and these are hereby altered as follows :

- a) Article 2 of the Articles of Association shall include the following definitions at appropriate places :

"Beneficial Owner" shall mean beneficial owner as defined in clause(a) of sub-section (1) of section 2 of the Depositories Act, 1996;

"Depositories Act, 1996" shall include any statutory modification or re-enactment thereof; and

"Depository" shall mean a depository as defined under clause (e) of sub-section (1) of section 2 of the Depositories Act, 1996.

- b) In Article 2 of the Articles of association, the definition of "Member" shall be altered as follows :

'Member' means the duly registered holder from time to time of the shares of the company and includes the subscribers of the memorandum of the company and beneficial owner(s) as defined in clause (a) of sub-section (1) of section 2 of the Depositories Act, 1996.

- c) After the existing Article 3, the following Article shall be inserted :

- 3A. 'Notwithstanding anything contained herein, the Company shall be entitled to dematerialise its Shares, Debentures and other securities pursuant to the Depositories Act, 1996 and to offer its Shares, Debentures and other securities for subscription in a dematerialised form. The Company shall further be entitled to maintain a Register of Members with the details of Members holding shares both in material and dematerialised form in any media as permitted by law including any form of electronic media.' The Company shall be entitled to dematerialise its existing shares, rematerialise its shares held in the depositories and/or to offer its fresh shares in a dematerialised form pursuant to the Depositories Act, 1996 and the rules framed thereunder, if any.

- d) Article 12 of the Articles of Association shall be substituted by the following :

12. The Company shall cause to be kept a Register and Index of Members in accordance with all applicable provisions of the Companies Act, 1956 and the Depositories Act, 1996 with details of shares held in material and dematerialised forms in any media as may be permitted by law, including in any form of electronic media.

- e) After Article 12, the following Article shall be inserted :

- 12A. The shares in the capital shall be numbered progressively according to their several denominations, provided however, that the provision relating to progressive numbering shall not apply to the shares of the company which are dematerialised or may be dematerialised in future or issued in future in dematerialised form. Except in the manner hereinbefore mentioned, no share shall be sub-divided. Every forfeited or surrendered share held in material form shall continue to bear the number by which the same was originally distinguished.

- f) Article 24 (a) of the Articles of Association shall include the words 'provided, however, no share certificate(s) shall be issued for shares held in a depository' after the words 'delivery to all such holder.'

- g) Article 27 of the Articles of Association shall be substituted by the following :

27. Except as ordered by a court of competent jurisdiction or as by law required, the Company shall be entitled to treat the person whose name appears on the register of Members as the holder of any share or whose name appears as the beneficial owner of shares in the records



of the Depository, as the absolute owner thereof and accordingly shall not be bound to recognise any benami trust or equity or equitable, contingent or other claim to or interest in such share on the part of any other person whether or not it shall have express or implied notice thereof, the Board shall be entitled at their sole discretion to register any shares in the joint names of any two or more persons or the survivor or survivors of them.

h) Article 60 of the Articles of Association shall be substituted by the following :

60. The Company shall keep a 'Register of Transfers' and therein shall be fairly and distinctly entered particulars of every transfer or transmission of any share, whether or not held in material form.

i) After the existing Article 60, the following Article shall be inserted :

60A. In case of transfer of shares or other marketable securities where the company has not issued any certificates and where such shares or securities are being held in electronic and fungible form, the provisions of the Depositories Act, shall apply.

j) After the existing Article 61, the following Article shall be inserted :

61A. Nothing contained in the foregoing Article shall apply to transfer of security effected by the transferor and the transferee both of whom are entered as beneficial owners in the records of a depository."

By Order of the Board

Registered Office :

313, MIDAS Sahar Plaza
J.B. Nagar, Andheri-Kurla Road
Andheri (East), Mumbai - 400 059

V. Sundara Raman
Financial Controller
cum Company Secretary

Date : July 29, 1998

NOTES :

- A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.**
- Proxies, in order to be effective, must be lodged with the Company not less than 48 hours before the time of the meeting.
- The Explanatory Statement as required under Section 173(2) of the Companies Act, 1956 in respect of Item No. 6 and 7 is annexed hereto.
- Dividend on Equity Shares, if sanctioned at the Annual General Meeting will become payable to those members whose names appear in the Register of Members of the Company as on the date of Annual General Meeting i.e., 28th September, 1998.
- The Register of Members and Share Transfer Books of the Company will remain closed from September 22, 1998 to September 28, 1998 (both days inclusive).
- Members are requested to :
 - immediately intimate change of address, if any, quoting their Registered Folio Number to the Company and the Registrar and the Share Transfer Agent 'Intime Share Services Private Limited', at 260-A, Shanti Industrial Estate, Sarojini Naidu Road, Mulund (West), Mumbai - 400 080;
 - write to the Company for any information about accounts atleast 10 days in advance of the Annual General Meeting and
 - bring the copy of the Annual Report along with them and to produce the Attendance Slip at the entrance of the Meeting Hall.

7. All documents referred to in the accompanying Notice and the Explanatory Statement are open for inspection at the Registered Office of the Company during office hours on all working days, except Saturdays and Holidays, between 11.00 a.m. and 1.00 p.m. upto the date of the Annual General Meeting.

8. The following information is furnished pursuant to amendment of Bye-Laws/Listing Agreement of Stock Exchanges, issued by SEBI vide SMDRP/CIR- 14/98 dated 29th April, 1998 :

The Shares of the Company are listed with the following Stock Exchanges :

- The Mumbai Stock Exchange, Phiroze Jeejeebhoy Tower, Dalal Street, Mumbai - 400 001
- The Hyderabad Stock Exchange, 3-6-275, Himayat Nagar, Hyderabad - 500 029
- The Ahmedabad Stock Exchange, Kamadhenu Complex, Opp. Sahajanand College, Panjara Pole, Ahmedabad- 380 015
- The Pune Stock Exchange, PMT Commercial Buildings, Deccan Gymkhana, Pune - 411 004

The Company has paid the annual listing fees for the financial year 1998-99 to the above Stock Exchanges.

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956

ITEM NO. 6

The members of the Company had approved the appointment and terms of remuneration of Mr. V. K. Garg, Whole-Time Director of the Company at the Second Annual General Meeting. Considering the growth potential of the Company and to compensate in line with the Industry, your Directors had increased, subject to approval of the members, the salary to Mr. V.K. Garg from Rs.23,000/- per month to Rs.37,000/- per month and an increase in all perquisites based on the salary with effect from October 01, 1997.

In view of the growth potential of the Company and to compensate competent personnel in line with the Industry, the Board of Directors at their meeting held on April 21, 1998, have further increased the salary to Mr. V.K. Garg from Rs.37,000/- per month to Rs.46,000/- per month and an increase in all perquisites based on the salary with effect from April 01, 1998. Mr. V.K. Garg possesses necessary qualifications, experience and expertise in the IT Industry. Your Directors hence recommend the increase in the remuneration to Mr. V.K. Garg be approved by the members as reflected in the proposed resolution.

None of the Directors other than Mr. V.K. Garg is concerned or interested in the said resolution.

ITEM NO. 7

With the emergence of Depository system consequent to passing of the Depositories Act, 1996, your Directors have obtained registration of the shares of the Company as eligible securities on the National Securities and Depository Limited. In order to facilitate the Depository system, certain provisions of the Companies Act, 1956, pertaining to issue, holding, transfer and dealing in shares and other securities have been amended. Some of the existing Articles of the Articles of Association of the Company pertaining to issue, holding, transfer and dealing in shares and securities, are in line with the erstwhile provisions of the Companies Act, 1956 and are required to be amended to facilitate the Depository System as proposed in the resolution.

None of the Directors is concerned or interested in the proposed resolution. The Board recommends the said resolution for your approval.

By Order of the Board

Registered Office :

313, MIDAS Sahar Plaza
J.B. Nagar, Andheri-Kurla Road
Andheri (East), Mumbai - 400 059

V. Sundara Raman
Financial Controller
cum Company Secretary

Date : July 29, 1998