

Department of Corporate Services  
BSE Limited  
P.J.Towers, Fort  
MUMBAI. 400001.

25<sup>th</sup> March 2021

Dear Sir

Sub : Re-Submission of 26<sup>th</sup> Annual Report

Ref Regulation 34(1) of SEBI (LODR) Regulations, 2015- Scripcode 532271

With reference to the above and in continuation of our earlier submission dated 8<sup>th</sup> March 2021, we have noticed some errors in our annual report. We have made the corrections and the same are being submitted to the members for approval at the ensuing 26<sup>th</sup> Annual General Meeting convened on the 30<sup>th</sup> March 2021 at 10.30 am through VC/OAVM.

The details of the corrections are provided under Annexure -1

We herewith submit that the errors in the annual report were unintentional and are not detrimental to the interest of the stakeholders.

We request you to kindly take the same on record and oblige.

Thanking You

Yours Faithfully

FOR CYBERMATE INFOTEK LIMITED

*P. Chandra Sekhar*

P.CHANDRA SEKHAR  
DIRECTOR & CFO

Encl :a/a



Section in Annual Report	Page No	Header	Incorrect Data	Correct Data
Compliance Certificate	74	Date of Certificate	05-03-2020	05-03-2021
Standalone Balance Sheet	86	Equity & Liabilities-Total		
		31-03-2021	1,16,00,52,823	-
		31-03-2020	38,64,38,410	-
Standalone Cashflow Statement	88	Heading	31st March 2019	31st March 2020
Standalone Accounting Policies	90	Compliance with Ind AS	First Time adoption Particulars were mentioned which are no longer required and hence removed	
Standalone Notes to Accounts	99	Note 4 for 31-03-2019		
		Healthcare Infotek, Togo	-	68,25,00,000
		Total	2,17,500	68,46,75,000
Standalone Notes to Accounts	99	Note 5 for 31-03-2020		
		Op.Deferred tax Asset	16,60,014	21,00,443
		During the year	4,40,429	-1,24,244
		Total	21,00,443	19,76,199
Standalone Notes to Accounts	99	Note 5 for 31-03-2019		
		Op.Deferred tax Asset	-	16,60,014
		During the year	16,60,014	4,40,429
		Total	16,60,014	21,00,443
Standalone Notes to Accounts	100	Note 6 for 31-03-2020		
		Tech Mahindra	3,192	2,825
		HCL Infosystems	5,100	370
		HCL Technologies	9,695	4,368
		APTECH Ltd	6,454	2,095
		ITC Ltd	2,559	1,720
		Total	32,554	16,932
Standalone Notes to Accounts	100	Note 7 for 31-03-2020		
		Considered Good	43,30,77,508	51,41,99,697
		Total	43,30,77,508	51,41,99,697
		Note 7 for 31-03-2019		
		Considered Good	31,43,15,138	43,30,77,508
		Total	31,43,15,138	43,30,77,508
Standalone Notes to Accounts	100	Note 8 for 31-03-2020		
		Deposit accounts	83,06,916	4,22,540
		Cash in Hand	3,540	54,368
		Total	83,10,456	4,76,908
		Note 8 for 31-03-2019		
		Deposit accounts	1,47,33,534	83,06,916
		Cash in Hand	1,638	3,540
		Total	1,47,35,172	83,10,456
Standalone Notes to Accounts	100	Note 9 for 31-03-2020		
		Security Deposits	2,99,588	2,99,528
		Rental Deposits	9,08,807	8,67,271
		Total	12,08,395	11,66,799
		Note 9 for 31-03-2019		





		Security Deposits	3,01,688	2,99,588
		Rental Deposits	8,03,671	9,08,807
		Total	11,05,359	12,08,395
Standalone Notes to Accounts	100	Note 10 for 31-03-2020		
		Advances Receivable	18,19,028	18,71,149
		Advance Taxes & Duties	2,69,64,502	2,76,18,164
		Other Current Assets	68,750	68,750
		Total	2,88,52,280	2,95,58,063
		Note 10 for 31-03-2020		
		Advances Receivable	1,34,30,542	18,19,028
		Advance Taxes & Duties	2,12,97,287	2,69,64,502
		Other Current Assets	-	68,750
		Total	3,47,27,829	2,88,52,280
Standalone Notes to Accounts	101	Note No 11 for 31-03-2019		
		Issued Share Capital	16,10,83,924	19,79,16,482
		Total	16,10,83,924	19,79,16,482
	101	Reconciliation of Equity		
		1 % Unsecured FCCB		
		Issued & Subscribed-No	1,51,16,279	-
		Issued & Subscribed-INR	3,02,32,558	-
		Fully Paid Up-No	1,51,16,279	-
		Fully Paid Up-INR	3,02,32,558	-
		Shareholding morethan 5 % for 31-03-2020		
		P.C.Pantulu	1,68,15,820	1,68,01,269
		Others- Bond Holders		
		Global Focus Fund	1,51,16,279	1,39,68,179
		Shareholding morethan 5 % for 31-03-2019		
		Others- Bond Holders		
		Global Focus Fund	-	1,51,16,279
Standalone Notes to Accounts	102	Note No 12		
		Entire table of last year was published		
Standalone Notes to Accounts	105	Note No 23 for 31-03-2019		
		Payments to Statutory Auditors		
		As Auditor	2,50,000	2,00,000
		For taxation Matters	-	50,000
Standalone Notes to Accounts	107	Note No 27		
		Unders Section - additional column and details added		
Standalone Notes to Accounts	111	Note No 36 & 37		
		Incorrect note numbers rectified as 37 & 38		
Consolidated Notes to Accounts	141	Note No 27		
		Unders Section - additional column and details added		





*transformation...*

**26<sup>TH</sup> ANNUAL  
REPORT  
2019-2020**







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# 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

**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)

Independent 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!

# 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.



# 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.





## 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 like.



## Cinfotek CARDS

A complete print order management solution for the print industry.



## Corporate Information System (CIS)

An internet 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 portals. The 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.

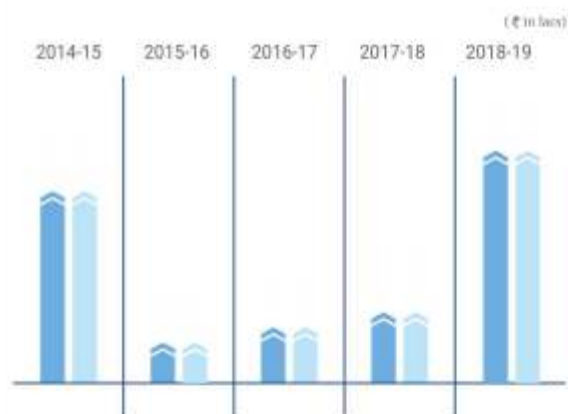
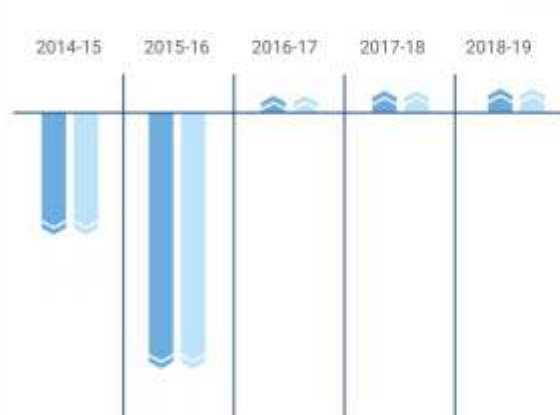
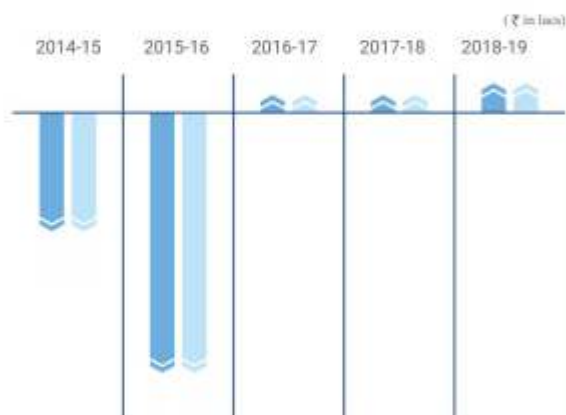
## BUSINESS PROCESS OUTSOURCING (BPO)

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



■ 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 2019-20.

The year that went by slowed down our operations due to working capital challenges. The funds raised by the company through the Foreign Currency Convertible Bonds have been deployed in the overseas markets as per the statutory guidelines and have started yielding results.

The Subsidiary at Portugal commenced operations. The company was able to achieve some turnover during the period January 2020 to March 2020.

However, during the year under review, particularly the fourth quarter, was severely affected due to the Covid-19 pandemic outbreak and economic activity slowed down.

Also post the balance sheet date the company was into the Corporate Insolvency Resolution Process which affected the operations of the company and its financial performance during the period 2020-21.

We are glad to have resolved the crisis and emerged and we are confident that we can rebuild the company with our best efforts and your continued support.

We have also made a headway into revival of the company, with a contract from a government company for automation with IoT devices which is likely to open up better opportunities.

We are now building new relationships in the new world post pandemic and would raise to the occasion with the health care platforms and other service offerings in emerging technologies and analytics.

We thank you for the confidence reposed in us and hope to present improved performance in times to come.

With warm regards & best wishes,

A handwritten signature in black ink, appearing to read 'P.C. Pantulu'.

P.C Pantulu  
Chairman & Managing Director







06

NOTICE



Dear Member

Notice is hereby given that the 26th Annual General Meeting of the Shareholders of Cybermate Infotek Limited will be held on Tuesday, 30th March 2021 at 10:30 a.m. through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") to transact the following business:

#### Ordinary Business

##### 1. To Adopt of Audited Financial Statements

To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2020, the Profit and Loss Account for the year ended 31st March, 2020 together with Schedules and Notes attached thereto, along with the Reports of the Directors and Auditors thereon.

##### 2. To Re-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 are hereby appointed as Statutory Auditors of the company to hold office from the conclusion of the 26th Annual General Meeting of the company, till the conclusion of 27th Annual General Meeting of the company at such remuneration, as may be mutually agreed between the Board of Directors of the Company."

"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."

#### Special Business

##### 3. To Appoint Mr. P.C. Pantulu (DIN: 01583136) as Chairman, Executive 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 and 197 and all other applicable provisions of the Companies Act, 2013 read with Schedule V thereto, subject to the approval of the members, the Central Government and such other regulatory authority as may be prescribed, to the appointment of Mr. P.C.PANTULU (DIN : 01583136) as Chairman, Executive Director and CEO of the Company for a period with effect from the conclusion of the 26th Annual General Meeting of the Company until completion of 28th Annual General Meeting of the Company and to his receiving remuneration, benefits and amenities as Chairman, ED and CEO 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 the conclusion of the 26th Annual General Meeting of the Company until completion of 28th Annual General Meeting of the Company."

"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. 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 Appoint Mr. P. Chandra Sekhar (DIN: 01647212) as Managing Director and CFO 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 and 197 and all other applicable provisions of the Companies Act, 2013 read with Schedule V thereto, subject to the approval of the members, the Central Government and such other regulatory authority as may be prescribed, to the appointment of Mr. P. CHANDRA SEKHAR (DIN : 01647212) as Managing Director and CFO of the Company for a period of five years with effect from the conclusion of the 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. Chandra Sekhar, 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. 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 Re-appoint Mr. B.Srinivasa Reddy (DIN: 01384074) as an Independent Director of the Company.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as 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 to the Companies Act 2013, Mr. B.Srinivasa Reddy (DIN: 01384074), who was appointed to as an Additional Director of the company w.e.f March 7th 2016 and subsequently as an independent director at the EGM of the Company held on 4th April 2016, for a period of five years 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 re-appointment in respect of whom the Company has received a notice in writing proposing his candidature for the office of Director along with a declaration that he meets the criteria of independence under Section 149(6) of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company for a tenure of five years, pursuant to the provisions of sections 149(4), 149(6) and 152 of the Companies Act, 2013 by the Board of Directors, in terms of section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company.

7. To Re-appoint Mr. V.S. Roop Kumar (DIN: 05317482) as an Independent Director of the Company.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as 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 to the Companies Act 2013, Mr.V.S.Roop Kumar (DIN: 05317482), who was appointed to as an Additional Director of the company w.e.f March 7th 2016 and subsequently as an independent director at the EGM of the Company held on 4th April 2016 for a period of five years 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 re-appointment in respect of whom the Company has received a notice in writing proposing his candidature for the office of Director along with a declaration that he meets the criteria of independence under Section 149(6) of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company for a tenure of five years, pursuant to the provisions of sections 149(4), 149(6) and 152 of the Companies Act, 2013 by the Board

of Directors, in terms of section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company.

8. To Appoint Ms.Gottipati Ponnari (DIN : 0009075036) as an Independent Director 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 152 and any other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and any Rules made thereunder read with Schedule IV of the Act, Ms.Gottipati Ponnari (DIN : 0009075036) who was appointed as an additional director of the company w.e.f 13th February 2021 and who has submitted a declaration that she 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 notice in writing from the member proposing her 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."

"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."

By Order of the Board of Directors



P.C.Pantulu

Managing Director

Place: Hyderabad

DIN: 01583136

Date: 05.03.2021

**NOTES:**

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through video conferencing (VC) or other audio-visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate (as applicable) can attend the AGM through VC/OAVM and cast their votes through e-voting.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.cybermateinfotek.com](http://www.cybermateinfotek.com). The Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com). The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
8. The register of beneficial owners registers of members and share transfer books of the Company will remain closed from 23rd day, March 2021 to 30th day, March 2021 (both days inclusive).
9. 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.
10. 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.
11. 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 to compile the information and provide replies at the meeting.
12. 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)

### 13. Voting through electronic means - instructions for share holdres for remote e-voting are as under:

- i. The voting period begins on 27th March 2021 at 10.00 am and ends on 29th March 2021 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) of 22nd March 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- iii. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- iv. Click on "Shareholders" module.
- v. Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

OR

Alternatively, if you are registered for CDSL's EASI/EASIEST e-services, you can log-in at <https://www.cdslindia.com> from Login - Myeasi using your login credentials. Once you successfully log-in to CDSL's EASI/EASIEST e-services, click on e-Voting option and proceed directly to cast your vote electronically.

- vi. Next enter the Image Verification as displayed and Click on Login.
- vii. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- viii. If you are a first time user follow the steps given below:

#### For Members holding shares in Demat Form and Physical Form

PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

- ix. After entering these details appropriately, click on "SUBMIT" tab.
- x. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- xi. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xii. Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- xiii. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiv. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xv. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xvi. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvii. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- xviii. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xix. Shareholders can also cast their vote using CDSL's

mobile app "m-Voting". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.
2. For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any

kind of aforesaid glitches.

5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast seven (7) days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance seven (7) days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [secretarial@cybermateinfotek.com](mailto:secretarial@cybermateinfotek.com). These queries will be replied to by the company suitably by email.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

#### INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
  2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
  3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
  4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- xx. Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are

required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login 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.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [secretarial@cybermateinfotek.com](mailto:secretarial@cybermateinfotek.com) (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, 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) or contact Mr. Nitin Kunder (022- 23058738) or Mr. Mehboob Lakhani (022- 23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022- 23058542/43.



**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: Appointment of Mr.P.C.Pantulu as Chairman, Executive Director, CEO.**

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 16th September 2019, 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 05th March 2021, approved the appointment of Mr. P.C. Pantulu as Executive Director, Chief Executive Officer (CEO) and Chairman of the Company for a further term concluding on the completion of the 28th 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. 3,00,000/- 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. 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 74 years.

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

#### **Item No. 4 Re-appointment of Mr.K.S. Shiva Kumar as Director (Operations) & C.O.O**

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 26th Annual General Meeting until conclusion of the 28th Annual General Meeting of the Company for the financial year 2021-22, subject to consent by the Members of the Company at the ensuing Annual General Meeting ("AGM") for a total remuneration of Rs. 1,25,000/- per month.

As Director (Operations), Mr. K.S. Shiva Kumar holds office till the date of the 26th AGM and is eligible for being appointed Director and is not disqualified from being appointed as a 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 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 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: Appointment of Mr. P.Chandra Sekhar as Managing Director, CFO.**

Mr. P. Chandra Sekhar was appointed as an Executive Director and Chief Financial Officer of the Company on the 30th June 2006.

Mr. Chandra Sekhar has demonstrated exceptional skills in corporate strategy and crisis management during the years. He has been instrumental in resolving the crisis with the committee of creditors in the recently concluded Corporate Insolvency Resolution Process faced by the company.

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. 2,50,000/- 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. Chandra Sekhar by giving not less than three months' prior notice in writing. The Directors are of the opinion that Mr. P. Chandra Sekhar'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. 5 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. Chandra Sekhar.

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



## ITEM NO. 6: Re-appointment of Mr. B. Srinivasa Reddy as an Independent Director

Details of the Director seeking Re-appointment at the 26th Annual General Meeting

Name of the Director	Mr. B. Srinivasa Reddy
Director Identification No	01384074
Educational Qualification	MBA
Expertise in Specific Functional Area	Financial Analyst
Date of Birth	24-06-1968
No of Companies in which Directorship is held as at 31st March 2020	03
Chairperson/Member of the Committees of the Board for the Company in Which he is a Director as at 31st March 2020	NIL

The resolution as set out in item No. 6 of this Notice is accordingly recommended for your approval.

## ITEM NO. 7: Re-appointment of Mr. V.S. Roop Kumar as an Independent Director

Details of the Director seeking re-appointment at the 26th Annual General Meeting

Name of the Director	Mr. V.S. Roop Kumar
Director Identification Number	05317482
Educational Qualification	B.Com, FCA, AICWA
Expertise in specific functional area	Chartered Accountant in Practise
Date of Birth	06-01-1975
Number of Companies in which Directorship is held as of 31st March 2020	NIL
Chairman/Member of the Committees of the Board of other Companies in which he is a Director as of 31st March 2020	NIL

The resolution as set out in item No. 7 of this Notice is accordingly recommended for your approval.

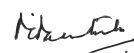
ITEM NO. 8: Appointment of Ms. G. Ponnari as an Independent Director

Details of the Director seeking appointment at the 26th Annual General Meeting

Name of the Director	Ms. Gottipati Ponnari
Director Identification Number	0009075036
Educational Qualification	MSc, PhD
Expertise in specific functional area	Biotechnology
Date of Birth	12-04-1982
Number of Companies in which Directorship is held as of 31st March 2020	NIL
Chairman/Member of the Committees of the Board of other Companies in which She is a Director as of 31st March 2020	NIL

The resolution as set out in item No. 8 of this Notice is accordingly recommended for your approval.

BY ORDER OF THE BOARD



PLACE: Hyderabad  
DATE: 05th March 2021

P.C. PANTULU  
MANAGING DIRECTOR  
DIN: 01583136

**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](mailto:secretarial@cybermateinfotek.com)

Website : [www.cybermateinfotek.com](http://www.cybermateinfotek.com)







# BOARD'S REPORT 07

Dear Members,

Greetings!!!

We herewith present the report on our business and operations for the year ended 31st March 2020.

## 1. Financial Results

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

Particulars for the year ended	For the year ended 31-03-2020 ` in '000	For the year ended 31-03-2019 ` in '000
Net Sales/Income from Business Operations	515153.69	604447.55
Other Income	181.89	36870.89
Total Income	515325.58	641318.44
Less Interest	6500	12554.30
Profit/(Loss) before Depreciation & Exceptional Items	10120.80	628764.14
Less Exceptional Items	-	-
Profit before Depreciation	10120.80	75526.75
Less Depreciation	1385.15	1493.45
Profit after Depreciation and Interest	11505.95	74033.3
Less Current Income Tax	2269	12407.62
Less Previous Year Adjustment of Income Tax	-	-
Less Deferred tax	-15.62	(440.43)
Net Profit after Tax	9096.46	62066.11
Dividend	-	-
Net Profit after dividend and Tax	9096.46	62066.11
Amount transferred to General Reserve	-	-
Balance Carried to Balance Sheet	9096.46	62066.11
Earning per Share(Basic)	0.09	0.63
Earning per Share(Diluted)	0.09	0.63

## Financial highlights

### Revenues-Standalone:

Revenue for the year ended 31st March 2020 stands at Rs. 5153.25 lakhs as compared to 6413.18 lakhs the same period last year. The Company's revenues declined by about 19.6 % 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 has achieved a turnover of Rs.3107.85 lakhs as at 31st March 2020 and the same is included in the Consolidated Turnover

**Profits- Standalone**

The Company had earned a net profit 115.05 lakhs(before tax)as against a net profit Rs. 740.33 Lakhs(before tax) in the previous year

**Profits-Consolidated**

The Portuguese subsidiary's results are as follows in INR

	01-01-2019 to 31-12-2019	01-01-2020 to 31-03-2020
Turnover	8,00,23,753.95	23,07,61,937.74
Profit	17,54,961.72	57,18,642.73

These profits are included in the Consolidated Profit of the Company. However the US Subsidiary could not commence operations and hence there are no profits for consolidation.

**Capital Expenditure on Tangible Assets-Standalone**

During the year, additions to fixed assets were marginal, similar to the previous year.

**2. Dividend**

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

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

The Subsidiary company in the US is in the process of identifying domain specific leadership for commencement Operations.

The Portuguese subsidiary has commenced operation pertaining to IT hardware and software integration and the opportunities appear promising.

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. Chenchaiiah 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, 2020.

(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, 2020.

(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, 2020.

(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, 2020. 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-five (45) 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 Independent 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

There were no appointment or resignation of directors.

#### Re-appointments

- Managing Director

Mr. P.C. Pantulu, Managing Director was re-appointed as Chairman, Executive Director & CEO of the Company with effect from conclusion of the 26th Annual General Meeting up to conclusion of the 28th Annual General Meeting of the company for the years 2020-21 and 2021-22 in the meeting of the Board of Directors held on the 05th March 2021.

- Directors

Mr. K.S. Shiva Kumar, Director was re-appointed as Director-Operations and COO of the Company with effect from conclusion of the 26th Annual General Meeting up to conclusion of the 26th Annual General Meeting of the company for the year 2020-21 and 2021-22 in the meeting of the Board of Directors held on the 05th March 2021.

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.

##### 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

Mr.B.Srinivasa Reddy	Chairman
Ms.C.Kamakshi Bharathi	Member
Mr.Suraj Bharadwaj	Member

##### Corporate Social Responsibility Committee

Mr. Suraj Bharadwaj	Chairman
Ms. C. 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

Corporate Insolvency Resolution Process :

Subsequent to the balance sheet date, on the 22nd May 2020, the NCLAT passed orders upholding the order of the NCLT Hyderabad dated 26th March 2018. As a result, the stay issued by the Supreme Court on the NCLT order is vacated thereby resuming the IBC proceedings on the Company.

The promoter of the company Mr. P. Chandra Sekhar approached the supreme court appealing against the order of the NCLAT dated 22nd May 2020. The Supreme Court dismissed the application of the Promoter.

The IRP took charge of the company and resumed CIRP Proceedings as is where is.

The promoters entered into an out of the court settlement with the members of the Committee of Creditors and thus the committee of creditors filed an application for withdrawal on the 11th of November 2020 in form 12 AA thus concluding the Corporate Insolvency Resolution Proceedings.

The NCLT Hyderabad passed orders withdrawing the IBC proceedings on the 04th of January 2021.

Thus, the company was under the control of the Insolvency Resolution Professional for the period

22nd May 2020 to 04th January 2021.

The Resolution Professional handed over the company back to the promoters/directors on the 08th of January 2021.

During the above period the Resolution Professional did not comply with statutory compliances like PF, ESI, PT, TDS, GST, Income Tax, SEBI and Other Compliances.

#### 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.

Other than the CIRP Proceedings mentioned above, there are no other reportable significant events for the company.

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

All Contracts/arrangements/transactions entered by the company during the financial year 2019-20 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 29 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 six (6) 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:

S. No.	Date of Meeting	Time	Place	Meeting No	For the Quarter
01	27-May-19	11.50 am	Regd & Corp Off	01/2019-20	Apr-Jun
02	6-Aug-19	11.35 am	Regd & Corp Off	02/2019-20	Jul-Sep
03	14-Aug-19	11.00 am	Regd & Corp Off	03/2019-20	Jul-Sep
04	1-Oct-19	11.00 am	Regd & Corp Off	04/2019-20	Oct-Dec
05	5-Nov-19	12.15 am	Regd & Corp Off	05/2019-20	Oct-Dec
06	10-Feb-20	11.00 am	Regd & Corp Off	06/2019-20	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.

i. That in the preparation of the Annual Accounts for the financial year ended March 31, 2020 the applicable accounting standards had been followed along with proper explanation relating to material departures.

ii. 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.

iii. 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.

iv. That the Directors had prepared the accounts for the financial year ended March 31, 2020 on a 'going concern' basis.

v. That proper internal financial controls were in place and that the financial controls were adequate and were operating effectively

vi. 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 "II" [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
- 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 previous year 2018-19, 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 the 25th Annual General meeting until the upcoming 26th annual general meeting. It is now proposed to re-appoint them as statutory auditors from the commencement of the ensuing 26th Annual General Meeting to the conclusion of the 27th Annual General Meeting. The Company has received a

certificate from M/s P. Murali & Co, Chartered Accountants to the effect that if re-appointed 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 appointed M/s CAS & Associates, Practising Company Secretaries, Hyderabad to conduct Secretarial Audit for the financial year 2019-20. The Board has appointed Mr. Y. Koteswara Rao, Company Secretary in place of M/s CAS & Associates on 5th March, 2021 to issue the Secretarial Audit Report for the period ended 31st March, 2020. The Secretarial Audit report as issued by Mr. Y. Koteswara Rao, for the financial year ended March 31, 2020 is annexed herewith in Annexure-IV.

The Company is now appointing Mr. Y. Koteswara Rao, Company Secretary as a Secretarial Auditor for the period 2020-21.

## 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.

1. The statutory auditors have drawn attention to the Corporate Insolvency Resolution Process in accordance with the order against the company u/s 7 of the Insolvency

and Bankruptcy Code 2016, which was upheld by the NCLAT on the 22nd May 2020 and also by the Honourable Supreme Court on the 4th June 2020 and we clarify as under

- (a) The Insolvency Resolution Professional took charge of the company on 22nd May 2020 and resumed CIRP Proceedings as is where is.
- (b) The promoters entered an out of the court settlement with the members of the Committee of Creditors and thus the committee of creditors filed an application for withdrawal on the 11th November 2020 in form 12 AA.
- (c) The NCLT Hyderabad passed orders withdrawing the CIRP proceedings on the company on 04th January 2021.
- (d) The Resolution Professional handed over the control of the company to the Promoters/Directors on the 8th January 2021 thus concluding the CIRP.

Thus, the company was under the control of the Insolvency Resolution Professional/Resolution Professional from 22nd May 2020 to 04th January 2021. During this period the Insolvency Resolution Professional/Resolution Professional did not comply with statutory compliances like PF, ESI, PT TDS, GST, Income tax and SEBI and other compliances.

The Same is the clarification to the observations made by the Secretarial Auditors as the matter pertains to CIRP Proceedings and Non Compliances.

## 29. Shares

### Buyback 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 2019-20 there were no appointments of directors nor any resignations.

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 2019-20. 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



P. Chandra Sekhar  
Whole time director

Date: 05th March 2021

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)

AOC-1

₹ in '000

Name of the Subsidiary	Cybermate Infotek Limited Inc	Cybermate International, Unipessoal, LDA
Financial Year ended	31st December 2019	31st December 2019
Exchange Rate	1 USD = 71.207605 INR	1 EUR = 80.039754
Share Capital (?)	2,17,500	68,25,00,000
Reserves & Surplus (?)	-	-
Total Assets (?)	2,17,500	68,25,00,000
Total Liabilities (?)	2,17,500	68,25,00,000
Turnover (?)	-	8,00,23,753.95
Profit/Loss (?)	-	17,54,961.72
% of Shareholding	100%	100%

Notes :

1. Cybermate Infotek Limited Inc has been re-instated on the records of Delaware Division of Corporations
2. Cybermate International, Unipessoal, LDA has commenced operations and the turnover and profitability are included for consolidation purpose.

## 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 2019-20 of employees on India Payroll was ( -16.5%)

4. The number of permanent employees on the rolls of the company.	120
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 point out 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

Sr. No	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%

### Notes:

- Median remuneration of the employees is calculated on the basis of remuneration details of permanent employees on India payroll excluding Managing Director/s.

## Annexure II B

Sr. No	Name of the Director/ Key Managerial Personnel	Designation	% 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 any one 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:

1. 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.
2. Perquisites – in the form of house rent allowance/ accommodation, furnishing allowance, reimbursement of medical expenses, conveyance, telephone, leave travel, etc.
3. Retirement benefits - contribution to PF, superannuation, gratuity, etc. as governed by



respective acts and rules prevailing in the Company from time to time.

4. 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.
5. 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 as on financial year ended on 31.03.2020	
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration ) Rules, 2014.	

## I REGISTRATION &amp; 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.	Aarathi Consultants Pvt. Ltd 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

Sl.No.	Name & Description of main products/services	NIC Code of product/service	% to total turnover of the company
1	Computer Programming, Consultancy, related activities	620	100

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

Sl.No.	Name & Address of the Company	CIN/ GLN	Holding/Subsidiary /Associate	% of Shares Held	Applicable Section
1	Cybermate Infotek Limited Inc	-	Subsidiary	100	Section 2(87)
2	Cybermate International Unipessoal LDA	-	Subsidiary	100	Section 2(87)

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

INR in Lakhs

Category of Shareholders	No. of shares held at the end of the year March 31, 2019				No. of shares held at the end of the year March 31, 2020				
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	% change during the year
<b>A. PROMOTERS</b>									
(1) Indian									
(a) Individuals/HUF	1,88,06,853	-	1,88,06,853	19.00	1,88,53,502	-	1,88,53,502	19.05	0.14
(b) Central Govt./									
State Govt. (s)									
(c) Bodies									
Corporate									
(d) Banks/FI									
(e) Any Other									
SUB TOTAL - (A)(1)	1,88,06,853	-	1,88,06,853	19.00	1,88,53,502	-	1,88,53,502	19.05	0.14
(2) Foreign									
(a) NRI - Individuals									
(b) Individuals									
(c) Bodies Corporate									
(d) Banks/FI									
(e) Any Other									
SUB TOTAL - (A)(2)									
Total Shareholding of the Promoter (A)	1,88,06,853	-	1,88,06,853	19.0	1,88,53,502	-	1,88,53,502	19.05	0.14
= (A)(1) + (A)(2)									
<b>B. PUBLIC SHAREHOLDING</b>									
(1) Institutions									
(a) Mutual Funds									
(b) Banks/FI	200	-	200	0.00	200	-	200	0.00	-
(c) Central Govt.									
(d) State Govt.									
(e) Venture Capital Fund									
(f) Insurance Companies									
(g) FIIs									
(h) Foreign Venture Capital Funds									
(i) Others (specify)									
SUB TOTAL (B)(1)	200	-	200	0.00	200	-	200	0.00	-
(2) Non-Institutions									
(a) Bodies Corporate	18,02,604	24,700	18,27,304	1.85	11,19,891	24,700	11,44,591	1.16	0.8
(i) Indian									
(ii) Overseas	1,51,16,279	15,200	1,51,31,479	15.2908	1,40,15,871	15,200	1,40,31,071	14.8	-

(b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 2 Lakhs	4,51,89,369	5,29,984	4,57,19,353	46.20	4,53,54,182	5,23,409	4,58,77,591	46.36	0.54
(ii) Individual shareholders holding nominal share capital in excess of Rs. 2 Lakhs	1,48,21,489		1,48,21,489	14.98	1,70,49,816	-	1,70,49,816	17.23	-0.22
(c) Others (specify)	26,49,063	2,500	26,51,563	2.68	19,98,970	2,500	20,01,470	2.02	-1.27
SUB TOTAL (B)(2)	7,95,78,804	5,72,384	8,01,51,188	80.99	7,95,38,730	5,65,809	8,01,04,539	80.95	-0.14
Total Public Shareholding (B) = (B)(1)+(B)(2)	7,95,79,004	5,72,384	8,01,51,388	81.00	7,95,38,930	5,65,809	8,01,04,739	80.95	-0.14
(c) Shares held by custodians for ADRs & GDRs									
Grand Total (A+B+C)	9,83,85,857	5,72,384	9,89,58,241	100	9,83,92,432	5,65,809	9,89,58,241	100	-

## (II) SHAREHOLDING OF PROMOTERS

INR in Lakhs

#	Shareholder's Names	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		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	-	1,68,11,269	16.99	-	0.03
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	-	76,923	0.11	-	(366.96)
6	Mr. K Bhujanga Rao	6,00,000	0.61	-	6,00,000	0.61	-	0.00



## (III) CHANGE IN PROMOTERS SHAREHOLDING

INR in Lakhs

# Shareholder's Names	Shareholding at the end of the year		Cumulative 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 2019	1,68,15,820	16.99	-	-
Add: Purchase of Shares	-	-	-	-
Less: Sale of Shares	4,551	0.00	-	-
Closing Balance as on 31st March 2020	1,68,11,269	16.99	1,68,11,269	16.99
<b>2 K.S. SHIVAKUMAR</b>				
Opening Balance as on 01st April 2019	8,93,010	0.90	-	-
Add: Purchase of Shares	-	-	-	-
Less: Sale of Shares	-	-	-	-
Closing Balance as on 31st March 2020	8,93,010	0.90	8,93,010	0.90
<b>3 P. CHANDRA SEKHAR</b>				
Opening Balance as on 01st April 2019	3,03,100	0.31	-	-
Add: Purchase of Shares	-	-	-	-
Less: Sale of Shares	-	-	-	-
Closing Balance as on 31st March 2020	3,03,100	0.31	3,03,100	0.31
<b>4 K. KOTESWARA RAO</b>				
Opening Balance as on 01st April 2019	1,78,200	0.18	-	-
Add: Purchase of Shares	-	-	-	-
Less: Sale of Shares	-	-	-	-
Closing Balance as on 31st March 2020	1,78,200	0.18	1,78,200	0.18
<b>5 P. RAJESWARI</b>				
Opening Balance as on 01st April 2019	16,473	0.02	-	-
Add: Purchase of Shares	60,450	0.06	-	-
Less: Sale of Shares	-	-	-	-
Closing Balance as on 31st March 2020	76,923	0.08	76,923	0.02
<b>6 K BHUJANGA RAO</b>				
Opening Balance as on 01st April 2019	6,00,000	0.61	-	-
Add: Purchase of Shares	-	-	-	-
Less: Sale of Shares	-	-	-	-
Closing Balance as on 31st March 2020	6,00,000	0.61	6,00,000	0.61

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

INR in Lakhs

# Shareholder's Names	Shareholding at the end of the year		Cumulative 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 2019	1,51,16,279	15.28	-	-
Add: Purchase of Shares	-	-	-	-
Less: Sale of Shares	11,48,100	1.16	-	-
Closing Balance as on 31st March 2020	1,39,68,179	14.12	1,39,68,179	14.12
<b>2 SAHISTAAKHTAR SARVARHUSSIAN NAGAD</b>				
Opening Balance as on 01st April 2019	19,24,603	1.94	-	-
Add: Purchase of Shares	3,28,737	0.33	-	-
Less: Sale of Shares	-	-	-	-
Closing Balance as on 31st March 2020	22,53,340	2.28	22,53,340	2.28
<b>3 SAMALA PRABHAVATHI</b>				
Opening Balance as on 01st April 2019	9,00,000	0.91	-	-
Add: Purchase of Shares	5,50,889	0.56	-	-
Less: Sale of Shares	-	-	-	-
Closing Balance as on 31st March 2020	14,50,889	1.47	9,50,276	0.96
<b>4 JAYA RAMI REDDY MALLAVARAPU</b>				
Opening Balance as on 01st April 2019	9,50,276	1.31	-	-
Add: Purchase of Shares	26,864	0.03	-	-
Less: Sale of Shares	-	-	-	-
Closing Balance as on 31st March 2020	9,77,140	0.99	9,77,140	0.99
<b>5 SUBBA REDDY SAMALA</b>				
Opening Balance as on 01st April 2019	9,00,000	0.91	-	-
Add: Purchase of Shares	-	-	-	-
Less: Sale of Shares	-	-	-	-
Closing Balance as on 31st March 2020	9,00,000	0.91	9,00,000	0.91
<b>6 PINNELLI ANANTHARAMAMMA</b>				
Opening Balance as on 01st April 2019	9,00,000	1.24	-	-
Add: Purchase of Shares	-	-	-	-
Less: Sale of Shares	-	-	-	-
Closing Balance as on 31st March 2020	9,00,000	1.24	9,00,000	0.91
<b>7 AJITH P MATHEW</b>				
Opening Balance as on 01st April 2019	8,75,000	0.88	-	-
Add: Purchase of Shares	-	-	-	-
Less: Sale of Shares	-	-	-	-
Closing Balance as on 31st March 2020	8,75,000	0.88	8,75,000	0.88
<b>8 DEEPENDER KUMAR SRIVASTAVA</b>				
Opening Balance as on 01st April 2019	-	-	-	-
Add: Purchase of Shares	4,72,003	0.48	-	-

Less: Sale of Shares				
Closing Balance as on 31st March 2020	4,72,003	0.48	4,72,003	0.48
<b>9 KOLLI SIVA KRISHNA</b>				
Opening Balance as on 01st April 2019	4,40,000	0.44	-	-
Add: Purchase of Shares	10,000	0.01	-	-
Less: Sale of Shares	-	-	-	-
Closing Balance as on 31st March 2020	4,50,000	0.45	4,50,000	0.45
<b>10 KIRAN KUMAR SRIKANTAIAH BASAWAPATNA</b>				
Opening Balance as on 01st April 2019	-	-	-	-
Add: Purchase of Shares	3,97,205	0.40	-	-
Less: Sale of Shares	-	-	-	-
Closing Balance as on 31st March 2020	3,97,205	0.40	3,97,205	0.40

## V INDEBTEDNESS

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

INR in Lakhs

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in indebtedness during the financial year				
Additions	-	-	-	-
Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

Note : Foreign Currency convertible bonds are Classified under other Equity in the Balance Sheet

## VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

## A. Remuneration of Managing Director(MD), Whole Time Director (WTD) and/or Manager

INR 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 tax Act, 1961	30.00	9.60	16.30	55.90
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, 1961				
2 Stock option				
3 Sweat Equity				
4 Commission				
as % of profit				
others (specify)				
5 Others, please specify				
Total (A)	30.00	9.60	16.30	55.90
Ceiling as per the Act				

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

INR in Lakhs

# Particulars	Name of the Directors					
	Mr.K.Koteswara Rao	Ms.C.Kamakshi Bharathi	Mr.V.S.Roop Kumar	Mr.B.Srinivasa Reddy	Mr. Suraj Bharadwaj	Total
1 Independent Directors						
(a) Sitting Fee-board meetings	0.10	0.15	0.12	0.15	0.10	0.62
(b) Commission	-	-	-	-	-	-
(c ) Committee Meetings	0.07	0.22	0.20	0.20	0.12	0.81
Total (1)	0.17	0.37	0.32	0.35	0.22	1.43
2 Other Non Executive Directors						-
(a) Sitting Fee-board meetings	-	-	-	-	-	-
(b) Commission	-	-	-	-	-	-
© ) Others, please specify.	-	-	-	-	-	-
Total (2)	-	-	-	-	-	-
Total (B)=(1+2)	0.17	0.37	0.32	0.35	0.22	1.43
Total Sitting Fees	0.17	0.37	0.32	0.35	0.22	1.43
Overall Ceiling as per the Act.						7.40

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

INR in Lakhs

Particulars	Company Secretary	Total Amount
1 Gross Salary		
(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	3.00	3.00
(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	-	-
a) as percentage of Profits	-	-
b) Others	-	-
5 Others	-	-
Total	3.00	3.00

## VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

INR 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)
A. COMPANY					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
B. DIRECTORS					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL



## Annexure IV

FORM NO- MR-3

### Secretarial Audit Report

For the Financial Year Ended 31st March 2020

[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 – 500015

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 my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period ended on 31st March, 2020 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. CYBERMATE INFOTEK LIMITED for the period ended on 31st March, 2020 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 Bye-laws 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 15th May, 2015);
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28th October, 2014 (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 as notified from time to

time.

ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors during the year under review.

Adequate notice was given to all Directors at least seven days in advance to schedule the Board Meetings. Agenda and detailed notes on agenda was sent in advance except when board meetings were called by giving less than seven days notice in accordance with the provisions of section 173 of the act 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 and majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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.

Note: This report is to be read with my letter of even date which is annexed as Annexure - A and forms an integral part of this report.



Y. KOTESWARARAO

ACS No. 3785

Place: Hyderabad

C.P. No.: 7427

Date: 05-03-2021

## 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.



Y. KOTESWARA RAO

ACS No. 3785

C.P. No.: 7427

Place: Hyderabad

Date : 05-03-2021

## 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	2019-20	2018-19
Purchased		
Units Kwh	34,845	45,893
Total Amount (INR)	4,02,748	4,66,988
Rate per Unit (INR)	11.56	10.18
Own Generation		
Through Diesel Generator		
Units (Litres)	136.52	104.79
Units per litre of diesel oil	3.00	3.00
Total Costs (INR)	10,000	17,700
Costs per Unit (INR)	73.25	73.56

#### 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 2020, 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 six times during the financial year 2019-20 at the company's corporate office on 27-05-2019, 06-08-2019, 14-08-2019, 1-10-2019, 05-11-2019 and 10-02-2020.

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 2020 along with Attendance of Board Meeting/AGM during the year are given below:

##### Attendance Record 2019-20

#	Name of the Director	Category	Meetings Attended	Attended Last AGM 16-09-19
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	Independent	1	NA



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

#	Name	DIN	Other Directorships	Committee Memberships	Chairmanship
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	-	-	-

### 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 2020.

#	Name & DIN	Designation	DOA	Upto
Executive Directors				
1	Mr.P.C.Pantulu DIN: 01583136	Chairman, MD & CEO	25th AGM	26th AGM
2	Mr.K.S.Shiva Kumar DIN: 02103299	Whole-time Director & COO	25th AGM	26th AGM
3	Mr.P.Chandra Sekhar DIN: 01647212	Whole-Time Director & CFO	09-07-16	09-07-21
Non-Executive Directors				
4	Mr.K.Koteswara Rao DIN: 06401491	Non Executive	25-08-18	25-08-21
Independent Directors				
5	Ms.C. Kamakshi Bharathi DIN: 07144611	Independent Director	25-09-18	25-08-21
6	Mr.V.S.Roop Kumar DIN: 05317482	Independent Director	04-04-16	04-04-21
7	Mr.B.Srinivasa Reddy DIN: 01384074	Independent Director	04-04-16	04-04-21
8	Mr.Suraj Bharadwaj DIN: 08351558	Independent Director	16-09-19	15-09-24

### 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.
- Litigations pertaining to Income Tax
- Litigations pertaining to NCLT
- Other Statutory Compliances

### C. 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 2019-20, 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	% of attendance
Mr. V. S. Roop Kumar	P	P	P	P	100
Ms. C. Kamakshi Bharathi	P	P	P	P	100
Mr. P. Chandra Sekhar	P	NA	NA	NA	100
Mr. Suraj Bharadwaj	NA	P	P	A	66.67

#### 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

(a) Disclosure on IBC Proceedings, Stay from Supreme Court and present Status of the Litigation

(b) Related Party Transactions

Further the committee has recommended the following to the board

(a) The Standalone Audited Financial statements for the year ended 31st March 2020

(b) The Consolidated Audited Financial statements for the year ended 31st March 2020

(c) Re-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 26th AGM till the conclusion of the 27th AGM.

#### Nomination and Remuneration Committee:

##### A. Composition:

The nomination and remuneration committee comprises three members as follows

Ms. C.Kamakshi Bharathi Chairman

Mr. 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	% of attendance
Ms.C.Kamakshi Bharati	P	P	P	P	100
Mr.B. Srinivasa Reddy	P	P	P	P	100
Mr.V.S.Roop Kumar	P	P	P	P	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 appointment of Mr. P.C. Pantulu as the Chairman, Executive Director and CEO for a further period i.e from the conclusion of the 26th AGM until the conclusion of the 28th 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 26th AGM until the conclusion of the 28th AGM and the same is to be approved as a Special Resolution.

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. K.Koteswara Rao	Member
Mr.Suraj Bharadwaj	Member

#### B. Meetings:

During the financial year 2019-20, 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				% of attendance
	1	2	3	4	
Mr. B. Srinivasa Reddy	P	P	P	P	100
Mr. P.C. Pantulu	P	NA	NA	NA	100
Mr. K. Koteswara Rao	P	A	P	P	75.00
Mr. Suraj Bharadwaj	NA	P	P	A	66.67

The Stakeholders relationship committee noted that the no of shares held in physical form as at 31st March 2020 was 5,65,809 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 2019 to 31st March 2020.

As on March 31, 2020, there were no pending share transfers.

#### 6. Meeting of Independent Directors:

During the year under review, the independent directors met on 05th November 2019, to discuss matters as follows

- (a) Litigation before the NCLT
- (b) Compliances with the regulators.
- (c) 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 2017-18.

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

Year	Location	Date	Time
2016-17	Moksh Banquets, 221, Tivoli Road, Secunderabad TS-3	11.09.17	10.30 am
2017-18	Moksh Banquets, 221, Tivoli Road, Secunderabad TS-3	24.09.18	10.00 am
2018-19	Moksh Banquets, 221, Tivoli Road, Secunderabad TS-3	16.09.19	10.30 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 29 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 2019-20

#	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any.
1.	Bombay Stock Exchange on October 15, 2019	Delay in filing of Annual Report by 15 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.

### 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 2020 in compliance with the Ind AS.

The Company has also taken note of the amendments to the SEBI(LODR) 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, 2020 in the directors' report and the notes to accounts on

### (a) CIRP Proceedings – Post Balance Sheet date

### (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	:	30th March 2021
Time	:	10.30 a.m.
Venue	:	Video Conference /Audio Visual Means

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

c. Date of Book Closure/Record Date : 23-03-2021 to 30-03-2021 &  
22-03-2021

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 2019-20 on BSE.

Month	High Price (₹)	Low Price (₹)	No. of Shares
01-Apr-19	2.00	1.58	4,75,820
01-May-19	2.58	1.52	14,98,635
01-Jun-19	2.33	1.80	7,20,901
01-Jul-19	2.11	1.60	5,21,375
01-Aug-19	2.09	1.58	10,54,170
01-Sep-19	1.84	1.49	7,90,489
01-Oct-19	1.70	1.19	10,18,134
01-Nov-19	2.04	1.18	10,91,620
01-Dec-19	1.75	1.32	5,69,342
01-Jan-20	1.71	1.26	4,63,286
01-Feb-20	1.62	1.05	11,95,634
01-Mar-20	1.37	0.75	10,04,819

## 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 2020

## i. Distribution Schedule as at 31st March 2020

Category	Holders	%	Shares	Amount	%
1 1 - 5000	18903	84.87	1,03,13,444	2,06,26,888	10.42
2 5001 - 10000	1579	7.09	62,50,651	1,25,01,302	6.32
3 10001 - 20000	847	3.80	65,10,481	1,30,20,962	6.58
4 20001 - 30000	285	1.28	36,37,028	72,74,056	3.68
5 30001 - 40000	169	0.76	30,49,418	60,98,836	3.08
6 40001 - 50000	103	0.46	23,78,356	47,56,712	2.40
7 50001 - 100000	207	0.93	75,33,899	1,50,67,798	7.61
8 100001 & Above	179	0.80	5,92,84,964	11,85,69,928	59.91
Total	22,272	100.00	9,89,58,241	19,79,16,482	100.00

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	% of total capital issued
Held in dematerialized form in CDSL	3,72,86,911	37.68
Held in dematerialized form in NSDL	6,11,07,421	61.75
Physical form	5,63,909	0.57
Total	9,89,58,241	100.00

## ii. Shareholding pattern as on 31st March 2020

Category	No of Shares	%
Promoters	1,88,62,502	19.6
Financial Institutions & Banks	200	0.0
FII/FCBs	-	-
Bodies Corporate	11,44,591	1.16
NRIs	19,92,470	2.01
Overseas Corporate Bodies	1,39,68,179	14.12
Trusts	1900	0.00
Clearing Members	47,692	0.05
Resident Individuals	6,29,40,707	63.60
Total	9,89,58,241	100.00

#### 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:

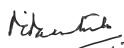
Regulation 39 read with Schedule VI of the SEBI (LODR) Regulations 2015 with respect to Unclaimed Shares

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 2019-20.



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 : 05.03.2021

## Annexure VII

### MANAGEMENT DISCUSSION AND ANALYSIS

#### I. 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 2019, 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 20 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](http://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...

1. A stable and structured approach to identifying and managing risks.
2. Anticipation of a consistent approach to identifying, rating, mitigating, managing and

monitoring risks.

3. Taking good management decisions and deploying risk management policies and procedures across the board.
4. An environment where the staff understands the importance of RMF and making sure to adhere to risk management policies and procedures.
5. Auditing and approving risk management framework and practices of the company.
6. Implementing the prescribed risk mitigation actions.
7. 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 77.43 Cr as against INR 76.54Cr as on 31st March 2020

These reserves include an amount of Rs. 61.84 Cr pertaining to Equity Component in Foreign Currency Convertible Bonds in accordance with Note No 33 to Notes to Accounts

#### 2. Property Plant and Equipment

During the year there are marginal additions to Tangible Fixed Assets or Intangible Fixed Assets of company

#### 3. Investments in Subsidiaries

o 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.

o Cybermate International Unipessoal LDA :

During the year the Subsidiary at Portugal Commenced operations and registered turnover and profitability as follows

	01-01-2019 to 31-12-2019	01-01-2020 to 31-03-2020
Turnover	8,00,23,753.95	23,07,61,937.74
Profit	17,54,961.72	57,18,642.73

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

The Company has Deferred Tax Asset (Net) amounting to Rs.19.76 Lacs as against Rs.21.00 Lacs in previous year.

#### 5. Trade Receivables

The position of outstanding debtors was

	As at 31st March 2020	As at 31st March 2019
Considered Good	5141.99	4330.77
Considered Doubtful	-	-
Allowances for Loss	-	-
Total Receivables	5141.99	4330.77

#### 6. Inventories

The Company does not have any inventories as at 31st March 2020

#### 7. Cash and Cash Equivalents

The balance of cash and cash equivalents as at the beginning of the year was Rs. 83.10 lacs.

The closing balance of Cash and Cash Equivalents is Rs. 4.76Lacs 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.269.38 Lacs and at the end of the year were Rs. 867.20 Lacs.

Other Current Liabilities include an amount of Rs 474.90 Lacs as Advances from Directors and includes remuneration payable.

#### 9. Provisions

Provisions include an amount of Rs.161.80 Lacs towards outstanding Salaries and expenses.

### III. Results of Operations

#### 1. Income

Revenues for the year include sale of Software Products, software development and IT Enabled Services. There has been a noticeable reduction in the revenues of the company over the previous year.

#### 2. 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 Foreign Currency Convertible Bonds is provided each quarter

though it is payable at the maturity of the bonds in 2023

### 3. Depreciation and Amortisation

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

### 4. Other Income - Net

Other income of the company includes Dividend income from investment in Shares of Listed Companies.

### 5. Net Profit

The Company had earned a net profit of Rs. 88.46 lacs as against Rs. 680.55 lacs in the previous year.

### 7. EPS after Exceptions

EPS for the year was Rs. 0.09 as against 0.63 in the previous year.

### 8. Liquidity

Liquidity has remained challenging due to delayed realisations and reduced activity

### 9. 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 31 to the standalone financial statements in this Annual report.

## IV. 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 midsize 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.

## V. 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.

#### VI. 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.

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

##### Human Capital

As at March 31st 2020, the company employed about 120 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 tehno 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 / up gradation; 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

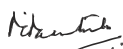
Cybermate Infotek Limited

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 2020 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 2020 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: 05-03-2021

## Annexure - IX

### CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members

M/s Cybermate Infotek Limited

Plot No.19 & 20, Moti Valley, Trimulgherry

Secunderabad – 500015, 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 2020, as stipulated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing and Regulations") for the period April 01, 2019 to March 31, 2020.

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 nor 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.



Y. KOTESWARARAO

ACS No. 3785

C.P. No.: 7427

Place: Hyderabad

Date : 05-03-2021

## Annexure - X

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(As per clause C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 read with regulation 34(3) of the said Listing Regulations).

To,

The Members

M/s. CYBERMATE INFOTEK LIMITED

Hyderabad, Telangana State.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of CYBERMATE INFOTEK LIMITED having CIN L72200TG1994PLC017485 and having registered office at PLOT NO-19&20, MOTI VALLEY, TRIMULGHERRY SECUNDERABAD TG 500015 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me / us by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

#	Name	DIN	Date of Appointment
1	Mr.P.C.Pantulu	01583136	05-05-1994
2	Mr.K.S.Shiva Kumar	02103299	05-05-1994
3	Mr.P.Chandra Sekhar	01647212	30-06-2006
4	Mr.K.Koteswara Rao	06401491	30-09-1996
5	Ms.C.Kamakshi Bharathi	07144611	27-03-2015
6	Mr.V.S.Roop Kumar	05317482	07-03-2016
7	Mr.B.Srinivasa Reddy	01384074	07-03-2016
8	Mr.Suraj Bharadwaj	08351558	31-01-2019

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate 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.



Y. KOTESWARA RAO  
Practicing Company Secretary  
ACS No. 3785  
C.P. No.: 7427

Place: Hyderabad  
Date: 05-03-2021







# 11

## STANDALONE FINANCIAL STATEMENTS

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## INDEPENDENT AUDITOR'S REPORT

To the Members of M/S. CYBERMATE INFOTEK LIMITED

Report on the Standalone Ind AS Financial Statements

### Opinion

We have audited the accompanying Standalone Ind AS financial statements of M/s. CYBERMATE INFOTEK LIMITED ("the Company"), which comprises the Balance Sheet as at March 31, 2020, 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 31,2020, and its Profit including other comprehensive income, it's 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 there under, 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.

### Emphasis of Matter:

- a. 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. After the Balance sheet date ie.on 22nd May 2020 the stay has been revoked and The IBC proceedings has been started on the company. On 11th November 2020 the creditors of the company has filed an application for withdrawal of IBC proceedings. The NCLT Hyderabad passed withdrawing IBC proceedings on 4th January 2021. The company has not complied with the provisions of SEBI Listing and other statutory compliances. (Refer Note No:24 of Notes to Accounts of standalone Financial Statements)
- b. The company has not paid the Statutory Dues for a period of more than 6 months from the date they become payable. The details are as given below. (Refer Note No: 25 of Notes to Accounts of standalone Financial statements)

#	Name of the statute	Amount (₹)	Nature of the Dues	Date of Payment
1.	Telangana Profession Act	2,81,832	Professional tax	Amount not paid till date.
2.	Employees Provident Fund & Misc Provisions Act 1952	10,72,723	Provident Fund	Provident Fund
3.	Income Tax Act, 1961	19,57,444	TDS	Amount not paid till date.
4.	Income tax Act, 1961	1,24,07,619	Income Tax for Fy 2018-19	Amount not paid till date
5.	Employee state Insurance	1,73,666	ESI	Amount has not been paid till date

c. We draw attention to Note No: 26 of the standalone financial statements, which describe the uncertainties and the impact of Covid -19 pandemic on the company's operations and results as assessed by the management. The actual results may differ from such estimates depending on future developments.

Our opinion is not modified with respect of the above matters.

#### Key Audit Matters

- Issue of Foreign Currency Convertible Bond's (FCCB)

The company has issued FCCB of US\$ 1,05,00,000 (Rs. 68,25,00,000/-), 1% coupon Foreign Currency convertible Bonds due upon completion of Five years from the date of issue. Interest is payable at the time of maturity only. 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. The FCCB's converted into equity as on 31-03-2020 is for an amount of Rs. 3,25,00,000/-

Refer Note No. 34 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 judgements 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 involve collation of information in respect of disaggregated revenue and periods over which the remaining, performance obligations will be satisfied subsequent to the balance sheet.

#### 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, re-performance 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.
- 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, 2020 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

- 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 involve 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.

#### 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 also 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, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act. (Refer Note No: 24 Notes to standalone Financial statements.)

- 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 disclosed the impact of pending litigations on its financial position in its financial statements. (Refer Note No:27 of Notes to standalone Financial statements)
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There 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.



A. Krishna Rao  
Partner  
M.No: 020085  
UDIN: 21020085AAAAJJ7581

Place: Hyderabad  
Date: 13/02/2021



## 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, 2020 Under "Report on other Legal & Regulatory Requirements"

I.

- a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of PPE.
- b) As explained to us, PPE have been physically verified by the management at reasonable intervals and no material discrepancies between the book records and the physical inventory have been 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.

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.

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 is not regular in depositing the 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. During the FY 2019-20, the company has not filed GST returns (from Oct 2019 to March 2020), Due to which turnover reconciliation has not been done with GST returns.

(b) There were undisputed amounts payable in respect of Provident fund, Employees state Insurance, Income Tax, Goods and Service tax, and other material statutory

Dues in arrears as at march 31, 2020 for a period of more than six months from the date they became payable.

#	Name of the statute	Nature of the Dues	Amount (₹)	Date of Payment
	Telangana Profession Act	Profession Tax	3,15,532/-	Amount has not been paid till date
	Employees Provident Fund & Misc Provisions Act 1952	Provident Fund	15,41,384/-	Amount has not been paid till date
	Income Tax Act, 1961	TDS	19,57,444/-	Amount has not been paid till date
	Employee State Insurance	ESI	1,73,666/-	Amount has not been paid till date.
	Income Tax Act 1961	Income Tax (FY 2018-19)	1,24,07,619/-	Amount has not been paid till date.

(c) According to the information and explanations given to us, and based on the records examined by us, amount outstanding towards income tax on account of dispute are;

#	Name of the statute	Nature of Dues	Amount (₹)	Period to which the amount relates	Forum where the dispute is pending
	Income Tax Act, 1961	Income Tax	3,29,85,990	A.Y. 2009-10	CIT(Appeals)
	Income Tax Act, 1961	Income Tax	1,70,34,842	A.Y. 2011-12	CIT(Appeals)
	Income Tax Act, 1961	Income Tax	66,78,883	A.Y. 2011-12	CIT (Appeals)
	Income Tax Act, 1961	Income Tax	1,15,75,170	A.Y. 2012-13	CIT(Appeals)
	Income Tax Act, 1961	Income Tax	3,83,56,680	A.Y. 2013-14	ITAT(Appeals)
	Income Tax Act, 1961	Income Tax	2,24,09,220	A.Y. 2014-15	ITAT(Appeals)
		Total :	12,90,40,785		

- viii) In our opinion and according to information and explanations given to us, the Company has not taken any loans from Banks or Financial Institutions or Government and has not issued any debentures during the year under consideration.
- ix) The Company has not raised any moneys by way of initial public offer, further public offer or term Loans. The company has issued 1% Foreign currency convertible bonds amounting to Rs.68,25,00,000/- during the FY 2018-19 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 managerial remuneration in compliance with the provisions of Sec.197 of The Act.
- xii) As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it.
- xiii) The company has complied with the provisions of Sec. 177 of The Companies Act. 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 and the disclosures required has been disclosed in the Notes to Accounts as per IND AS. (Refer Note No: 32 of Notes to Standalone Financial statements)
- xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under consideration.
- xv) As per the information and Explanations given to us, and based on the books and records verified by us, 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.



A. Krishna Rao  
Partner  
M.No:020085  
UDIN: 21020085AAAAJJ7581

Place: Hyderabad  
Date : 13-2-2021

## 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, 2020 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 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, 2020, 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.



A. Krishna Rao  
Partner  
M.No:020085  
UDIN: 21020085AAAAJJ7581

Place: Hyderabad  
Date: 13-2-2021

## 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, 2020 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

## Balance Sheet as at March 31, 2020

Particulars	Notes	As At 31.03.2020 (₹)	As At 31.03.2019 (₹)
<b>I. ASSETS :</b>			
<b>1. Non Current Assets:</b>			
a) Property, Plant and Equipment	2	22,63,082	36,18,476
b) Capital Work in Progress		-	-
c) Investment Property		-	-
d) Goodwill		-	-
e) Other Intangible assets	3	1,40,568	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	68,27,17,500
ii) Trade receivables		-	-
iii) Loans		-	-
i) Deferred Tax Asset (net)	5	19,76,199	21,00,443
j) Other Non Current Assets		-	-
<b>2. Current Assets:</b>			
a) Inventories		-	-
b) Financial Assets		-	-
i) Investments	6	16,932	32,554
ii) Trade Receivables	7	51,41,99,697	43,30,77,508
iii) Cash and Cash Equivalents	8	4,76,908	83,10,456
iv) Bank balances other than(iii)		-	-
v) Loans		-	-
vi) Others (to be specified)	9	11,66,859	12,08,395
c) Current Tax Assets (Net)		-	-
d) Other Current Assets	10	2,95,58,063	2,88,52,280
Total Current Assets		1,23,25,15,808	1,16,00,52,823
<b>II. EQUITY AND LIABILITIES:</b>			
<b>Equity</b>			
a) Equity Share Capital	11	19,79,16,482	19,79,16,482
b) Other Equity	12	77,43,34,286	76,54,87,817
Total Equity			
<b>Liabilities</b>			
<b>1. Non Current Liabilities:</b>			
a) Financial Liabilities			
i) Borrowings			
ii) Trade payables			
iii) Other Financial Liabilities	13	3,65,09,996	3,36,97,805
(other than those specified in Item (B), to be specified)			
b) Provisions			
c) Deferred Tax Liabilities (Net)		-	-
d) Other Non Current Liabilities		-	-
Total Non-Current Liabilities		-	-
<b>2. Current Liabilities:</b>			
a) Financial Liabilities			
i) Borrowings			
ii) Trade payables	14	8,67,20,317	2,69,38,528
iii) Other Financial Liabilities	15	2,46,12,004	4,54,81,082
(other than those specified in Item (C), to be specified)			
b) Other Current Liabilities	16	6,83,65,558	5,58,29,627
c) Provisions	17	2,21,62,729	1,50,76,666
d) Current Tax Liabilities (Net)	18	2,18,94,436	1,96,24,816
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>1,23,25,15,808</b>	<b>1,16,00,52,823</b>

Summary of significant accounting policies

1

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

For P. Murali & Co,  
Chartered Accountants,  
Firm Registration No: 0072575.



A. Krishna Rao  
Partner  
M.No:020085  
UDIN: 21020085AAAAJJ7581

Place: Hyderabad  
Date : 13-02-2021

For and on behalf of the Board  
For Cybermate Infotek Limited



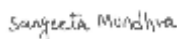
P.C Pantulu  
Managing Director  
DIN 01583136



P.Chandra Sekhar  
Director  
DIN 01647212



K.S. Shiva Kumar  
Director  
DIN 02103299



Sangeeta Mundhra  
Company Secretary  
M.No 59771

## Statement of Profit and Loss for the year ended March, 31, 2020

Particulars	Notes	As At 31.03.2020 (₹)	As At 31.03.2019 (₹)
<b>INCOME</b>			
Revenue From operations	19	51,51,53,693	60,44,47,546
Other Income	20	19,78,042	3,68,70,891
<b>Total Income</b>		<b>51,71,31,735</b>	<b>64,13,18,437</b>
<b>EXPENSES</b>			
Consumption of Goods/Services		47,808	-
Purchases of Licenses for Software Applications		-	-
Changes in inventories of finished goods, Stock-in -Trade and WIP		-	-
Employee benefits expense	21	45,15,43,001	48,95,48,023
Finance costs	22	65,00,000	1,25,54,299
Depreciation and amortization expenses	2&3	13,85,150	14,93,447
Other expenses	23	4,63,99,820	6,36,89,368
<b>Total expenses</b>		<b>50,58,75,780</b>	<b>56,72,85,136</b>
<b>PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS AND TAX</b>		<b>1,12,55,955</b>	<b>7,40,33,301</b>
Exceptional Items		-	-
<b>PROFIT/ (LOSS) BEFORE EXCEPTIONS ITEMS AND TAX</b>		<b>-</b>	<b>-</b>
<b>TAX EXPENSE:</b>			
(1) Current tax		22,69,620	1,24,07,619
(2) Deferred tax	5	1,24,244	-4,40,429
<b>Profit (Loss) for the period from continuing operations</b>		<b>88,62,091</b>	<b>6,20,66,110</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>			
Other Comprehensive Income		88,62,091	6,20,66,110
A. (i) Items that will not be reclassified to profit or loss		-15,622	61,84,84,064
(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-
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>88,46,469</b>	<b>68,05,50,174</b>
<b>Comprising Profit (Loss) and Other comprehensive Income for the period)</b>			
<b>Earnings per equity share (for continuing operation):</b>			
(1) Basic		0.09	0.63
(2) Diluted		0.09	0.63
<b>Earnings per equity share (for discontinued operation):</b>			
(1) Basic		-	-
(2) Diluted		-	-
<b>Earning per equity share (for discontinued &amp; continuing operation)</b>			
(1) Basic		-	-
(2) Diluted		-	-

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



A. Krishna Rao  
Partner  
M.No:020085  
UDIN: 21020085AAAAJJ7581

Place: Hyderabad  
Date : 13-02-2021

For and on behalf of the Board  
For Cybermate Infotek Limited



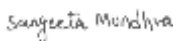
P.C Pantulu  
Managing Director  
DIN 01583136



P. Chandra Sekhar  
Director  
DIN 01647212



K.S. Shiva Kumar  
Director  
DIN 02103299



Sangeeta Mundhra  
Company Secretary  
M.No 59771



## Cash Flow Statement for the year ended 31st March 2020

Particulars	As At 31.03.2020 (₹)	As At 31.03.2019 (₹)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Profit before taxation	1,12,55,955	7,40,33,301
Adjustments for : -		
Depreciation	13,85,150	14,93,447
Interest Expense	65,00,000	1,25,54,299
Amortisation of Product Development Cost		
Diminution in value of investment		-
Impairment of Intangible Asset		-
Interest Income		(7,056)
Dividend Income		
Bad Debts Written Off		-
Operating Profit before working capital changes	1,91,41,105	8,80,73,991
(Increase) / Decrease in Income Tax Liability	22,69,620	-
(Increase) / Decrease in Trade Receivables	(8,11,22,189)	(11,87,62,730)
(Increase) / Decrease in Other Current Assets	(6,64,247)	58,75,549
Increase / (Decrease) in Trade Payables	5,97,81,789	16,92,225
Increase / (Decrease) in Other Current Liabilities	1,25,35,930	(45,71,529)
Increase / (Decrease) in Short Term Provisions	70,86,063	64,48,117
Cash generated from Operations	1,90,28,072	(2,12,44,377)
Taxes Paid	22,69,620	-
Net Cash Generated from Operating activities (A)	1,67,58,452	(2,12,44,377)
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of tangible/intangible assets (net)	(35,112)	(13,46,431)
Including transfer from CWIP		
Sale of Fixed Assets		1,57,44,142
Decrease in Capital Work In Progress		
Interest Income		
Dividend Income		
(Increase) in Current Investments		(1,03,036)
(Decrease) in Non Current Investments		(68,25,00,000)
(Decrease) in Other Non Current Asset	28,12,191	3,36,97,805
Net Cash Flow from Investing Activities (B)	27,77,079	(63,45,07,520)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Issue of Share Capital		3,68,32,558
Capital		62,50,41,509
Increase in Short Term Borrowings	(2,08,69,078)	
Interest Paid	(65,00,000)	(1,25,47,245)
Increase in Long Term liabilities		
Net Cash from Financing Activities (C)	(2,73,69,078)	64,93,36,822
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	(78,33,548)	(64,24,715)
Cash & Cash Equivalents at the beginning of the year	83,10,453	1,47,35,171
Cash & Cash Equivalents at the end of the year	4,76,905	83,10,457

## 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 31.03.2020 (₹)	As At 31.03.2019 (₹)
Cash on hand	54,368	3,540
Balances with Banks on Current and Deposit Accounts	4,22,540	83,06,914
Total	4,76,908	83,10,454

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

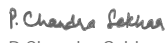


A. Krishna Rao  
Partner  
M.No:020085  
UDIN: 21020085AAAAJJ7581  
Place: Hyderabad  
Date : 13-02-2021

For and on behalf of the Board  
For Cybermate Infotek Limited



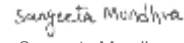
P.C Pantulu  
Managing Director  
DIN 01583136



P.Chandra Sekhar  
Director  
DIN 01647212



K.S.Shiva Kumar  
Director  
DIN 02103299



Sangeeta Mundhra  
Company Secretary  
M.No 59771

## 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 Standalone Financial Statements provide comparative information in respect of previous year. In addition, the company presents Balance Sheet as at the beginning of previous year, which is the transition date to Ind AS. 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, assumptions 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. 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) Transition to Ind AS

On transition to Ind AS, the company has decided to continue with the carrying value of

property, plant & equipment recognised as at April 1, 2016 as per the previous GAAP and adopted that carrying value as the deemed cost of property, plant & equipment.

The residual value, useful lives and methods of depreciation of Property, Plant & Equipment are reviewed as per Schedule II of Companies Act, 2013 at each Financial Year end and adjusted prospectively.

(iii) 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 its 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) Transition to Ind AS

On transition to Ind AS, the company has decided to continue with the carrying value of intangible assets recognised as at April 1, 2016 as per the

previous GAAP and use that carrying value as the deemed cost of intangible assets.

(iii) 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

Software internally developed

Particulars	Useful life
Product/Platform	4 years

e. 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.

f. 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 in to 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, subscriptions for services and ecommerce

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 services 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.

**(iii) Sale of licenses & Subscriptions**

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.

Revenues from Sale of Subscriptions shall be recognized linear to the period of the contract.

**(iv) Ecommerce/Retail**

Revenue from Ecommerce transactions i.e sale of third-party products/applications/services shall be recognized on realization of the merchandise.

**(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.

#### l. Segment Reporting:

In accordance with the requirement of 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. 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 2020.

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 recognised 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 cash flows 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.

(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.

(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 credit-worthiness 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 realisable value.

## Note 2 : Property, Plant & Equipment

The changes in the carrying value of Property, Plant and Equipment for the year ended March 31, 2020

in ?

Particulars	Buildings	Electrical Equipment	Office Equipment	Computer Equipment	Furniture and Fixtures	Total
Gross Carrying Value as of 1st April, 2019	-	5,854,491	20,84,298	1,46,20,805	1,29,99,936	3,55,59,531
Additions				15,805	4,907	20,712
Deductions						-
Gross Carrying Value as of 31st March, 2020	-	5,854,491	20,84,298	1,46,36,610	1,30,04,843	3,55,80,243
Additions						-
Deductions						-
Accumulated depreciation as of April 1, 2019	-	55,40,753	18,21,724	1,35,30,347	1,10,48,231	3,19,41,055
Depreciation		21,012	1,58,359	2,70,361	9,26,375	13,76,106
Accumulated depreciation on deletions						-
Accumulated depreciation as of March 31, 2020	-	5,561,765	19,80,083	1,38,00,708	1,19,74,605	3,33,17,161
Carrying Value as of March 31, 2020	-	292,726	1,04,215	8,35,902	10,30,238	22,63,082
Carrying Value as of April 1, 2019	-	313,738	2,62,574	10,90,458	19,51,706	36,18,476

## 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 1st April, 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 31st March, 2019	-	58,54,491	20,84,298	1,46,20,805	12,99,936	3,55,59,531
Additions						-
Deductions						-
Accumulated depreciation as of April 1, 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 March 31, 2018		55,40,753	18,21,724	1,35,30,347	11,048,231	3,19,41,055
Carrying Value as of March 31, 2019	-	3,13,738	2,62,574	10,90,458	19,51,706	36,18,476
Carrying Value as of April 1, 2018	1,57,44,142	3,24,913	1,09,439	7,60,650	27,05,702	1,96,44,845

## Note 3 : Intangible Assets

The Changes in the Carrying Value of acquired intangible assets for the year ended March 31, 2020 are as follows:

Particulars	Total in ?
Gross carrying value as of 1st April, 2019	38,48,31,729
Additions	14,400
Deletions	
Gross carrying value as of March 31, 2020	38,48,46,129
Accumulated amortisation as of 1st April, 2019	38,46,96,517
Amortisation expenses	9,044
Deletions	
Accumulated amortisation as of March 31, 2020	38,47,05,561
Carrying value as of March 31, 2020	1,40,568
Carrying value as of March 31, 2019	1,35,212

## 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 1st April, 2018	38,46,58,457
Additions	1,73,272
Deletions	
Gross carrying value as of March 31, 2019	38,48,31,729
Accumulated amortisation as of 1st April, 2018	38,46,58,457
Amortisation expenses	38,060
Deletions	
Accumulated amortisation as of March 31, 2019	38,46,96,517
Carrying value as of March 31, 2019	1,35,212
Carrying value as of March 31, 2018	1,73,272

## Note 4 : Financial Investments

Particulars	As At 31.03.2020 (₹)	As At 31.03.2019 (₹)
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	68,25,00,000
Total Non Current Investments	68,27,17,500	68,27,17,500

## Note 5 : Deferred Tax Asset

Particulars	As At 31.03.2020 (₹)	As At 31.03.2019 (₹)
Opening Deferred tax Asset	21,00,443	16,60,014
Current year adjustments	-1,24,244	4,40,429
Deferred Tax Asset	19,76,199	21,00,443

## Note 6 : Current Investments

Particulars	As At 31.03.2020 (₹)	As At 31.03.2019 (₹)
Equity instruments of other Companies-Quoted		
Tech Mahindra Ltd(5 equity shares of Rs.10/-each)	2,825	3,192
HCL Infosystems Ltd (100 Equity Shares of Rs. 2/- each)	370	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)	4,368	9,695
APTECH LTD (25 Equity Shares of Rs.2/- each)	2,095	6,454
ITC Ltd (10 Equity Shares of Rs.1/- each)	1720	2,559
Equity instruments of other Companies-UnQuoted	-	-
Total Current Investments	16,932	32,554



## Note 7 : Trade Receivables

Particulars	As At 31.03.2020 (₹)	As At 31.03.2019 (₹)
Current		
Unsecured		
Considered good	51,41,99,697	43,30,77,508
Considered doubtful	-	-
Total Trade Receivables	51,41,99,697	43,30,77,508

## Note 8 : Cash &amp; Cash Equivalents

Particulars	As At 31.03.2020 (₹)	As At 31.03.2019 (₹)
Balances with Banks		
In Current & Deposit accounts	4,22,540	83,06,914
Cash on hand	54,368	3,540
Total Cash & Cash Equivalents	4,76,908	83,10,454

## Note 9 : Other Financial Assets

Particulars	As At 31.03.2020 (₹)	As At 31.03.2019 (₹)
Current		
Security Deposits	2,99,588	2,99,588
Rental Deposits	8,67,271	9,08,807
Total Other Financial Assets	11,66,859	12,08,395

## Note 10 : Other Current Assets

Particulars	As At 31.03.2020 (₹)	As At 31.03.2019 (₹)
Current		
Advances Recoverable in cash or kind	18,71,148	18,19,028
Advance Taxes & Duties	2,76,18,164	2,69,64,502
Other Current Assets	68,750	68,750
Total Other Current Assets	2,95,58,063	2,88,52,280

## Note 11 : Share Capital

Particulars	As At 31.03.2020 (₹)	As At 31.03.2019 (₹)
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	19,79,16,482
C.Y 9,89,58,241 ( P.Y. 8,05,41,962 ) shares of Re.2/- each		
Total Paid up Equity Share Capital	19,79,16,482	19,79,16,482

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.2/- each

Issued,Subscribed & Paid-Up: The Issued and Subscribed Capital of the Company as at 31st March 2020 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 2019 is of Rs.19,79,16,482 represented by 9,89,58,241 Equity shares of Rs.2/- each.

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 2019	9,89,58,241	19,79,16,482	9,89,58,241	19,79,16,482	-	-
Add :	-	-	-	-	-	-
Add:	-	-	-	-	-	-
Balance as at 31st March 2020	9,89,58,241	19,79,16,482	9,89,58,241	19,79,16,482	-	-

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 31.03.2020		As At 31.03.2019	
	(₹)	%	(₹)	%
a) Promoter & Promoter Group of which Shareholders holding more than 5% of the Paid up Capital				
1. Mr. P.C. Pantulu	1,68,01,269	16.98	1,68,15,820	16.99
2. Global Focus Fund	1,39,68,179	14.12	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 other Comprehensive Income	Other Items of other Comprehensive Income	
Balance as at 01-04-2018	1,94,40,000	5,53,08,771	-	-	-	-	-	7,47,50,198
Changes in equity for the year ended March 31st, 2018	-	-	-	-	-	-	-	-
Increase 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 other comprehensive income, net of tax effect	-	-	-	-	-	-	-	61,84,84,067
Reversal of Provision	-	-	-	-	-	-	-	-
Profit for the Period	-	-	-	-	-	-	-	6,20,66,110
Balance as at 31-03-2019	2,96,27,442	11,73,74,881	-	-	-	61,84,85,494	-	76,54,87,817
Balance as at 01-04-2019	2,96,27,442	11,73,74,881	-	-	-	61,84,85,494	-	76,54,87,817
Changes in equity for year ended 31-03-19	-	-	-	-	-	-	-	-
Increase in share capital on account of fresh issue	-	-	-	-	-	-	-	-
Issue of Share Warrants	-	-	-	-	-	-	-	-
Remeasurement of net defined benefit liability /asset, net of tax effect	-	-	-	-	-	-	-	-
Fair Valuation of investments, net of tax effect	-	-	-	-	-	-15,622	-	-15,622
Equity Instruments through OCI, net of tax effect	-	-	-	-	-	-	-	-
Reversal of Provision	-	-	-	-	-	-	-	-
Profit for the Period	-	88,62,091	-	-	-	-	-	88,62,091
Balance as at 31st March 2020	2,96,27,442	12,62,36,972	-	-	-	61,84,69,872	-	77,43,34,286

## Note 13 : Financial Liabilities

Particulars	As At 31.03.2020 (₹)	As At 31.03.2019 (₹)
Other Financial Liabilities	3,65,09,996	3,36,97,805
Total	3,65,09,996	3,36,97,805

## Note 14 : Trade Payables

Particulars	As At 31.03.2020 (₹)	As At 31.03.2019 (₹)
Trade Payables	8,67,20,317	2,69,38,528
Total Trade Payables	8,67,20,317	2,69,38,528

## Note 15 :Other Financial Liabilities

Particulars	As At 31.03.2020 (₹)	As At 31.03.2019 (₹)
Current maturities of Long Term Borrowings	-	-
Short Term Borrowings		
From Others	2,46,12,004	4,54,81,082
Unsecured loans	-	-
Total Other Financial Liability	2,46,12,004	4,54,81,082

## Note 16 :Other Current Liabilities

Particulars	As At 31.03.2020 (₹)	As At 31.03.2019 (₹)
Interest Payable	-	-
Outstanding Expenses Payable	-	-
Audit Fee Payable	4,50,000	2,25,000
Directors Remuneration Payable	2,88,95,473	2,37,31,273
Other Payable	3,90,20,088	3,18,73,355
Total Other Current Liabilities	6,83,65,561	5,58,29,628

## Note 17 : Provisions

Particulars	As At 31.03.2020 (₹)	As At 31.03.2019 (₹)
Provision for Employee Benefits	-	-
PF Payable	15,41,385	9,48,051
ESI Payable	1,73,666	1,24,672
PT Payable	3,15,532	2,81,832
Salaries Payable	1,61,80,222	1,16,20,577
Others		
Statutory Liabilities	38,75,923	19,57,444
Others	76,000	1,44,089
Total Provisions	2,21,62,728	1,50,76,665

## Note 18 : Income tax Liability

Particulars	As At 31.03.2020 (₹)	As At 31.03.2019 (₹)
Income Tax (Net)	1,96,24,816	1,96,24,816
Current Income Tax	22,69,620	-
Total	2,18,94,436	1,96,24,816

## Note 19 : Revenue from operations

Particulars	As At 31.03.2020 (₹)	As At 31.03.2019 (₹)
Revenue from Operations		
Domestic Sales	5,44,500	1,11,75,255
Export Sales	51,46,09,193	59,32,72,291
Total Revenue from Operations	51,51,53,693	60,44,47,546

## Note 20 : Other Income

#	Particulars	As At 31.03.2020 (₹)	As At 31.03.2019 (₹)
I	(a) Dividend Income	-	-
	(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)	-	-
	(d) Net gain/loss on foreign currency translation and transaction (other than considered as finance cost)	-	1,27,20,374
	(e) Other income	19,78,042	-
	Total Other Income	19,78,042	3,68,70,891

## Note 21 : Employee Benefits Expenses

#	Particulars	As At 31.03.2020 (₹)	As At 31.03.2019 (₹)
I	(a) Salaries & Wages	44,18,85,968	48,59,32,123
	(b) Contribution to Provident & Other Funds	3,39,235	5,88,078
	(c) Staff Welfare Expenses	93,17,798	30,27,822
	Total Employee Benefit Expenses	45,15,43,001	48,95,48,023

## Note 22 : Finance Cost

#	Particulars	As At 31.03.2020 (₹)	As At 31.03.2019 (₹)
I	(a) Interest Charges	65,00,000	1,25,54,299
	Total Employee Benefit Expenses	65,00,000	1,25,54,299

## Note 23 : Administrative &amp; Other Operating Expenses

	Particulars	As At 31.03.2020 (₹)	As At 31.03.2019 (₹)
I	(a) Telephone, Postage and Others	2,53,245	7,90,243
	(b) Business Promotion Expenses	1,07,200	1,30,419
	(c) Conveyance	3,97,646	6,75,738
	(d) Travelling expenses	5,27,772	-
	(e) Office Maintenance	42,51,850	2,17,52,655
	(f) Printing & Stationery Expenses	1,88,644	2,95,467
	(g) Service charges	17,00,346	-
	(h) Managerial Remuneration	58,10,000	50,40,000
	(i) RTA & Secretarial Expenses	11,19,083	11,69,338
	(j) Professional Consultancy fee	84,97,723	1,82,16,222
	(k) Board Meeting Expenses	1,07,955	1,10,000
	(l) Bank Charges	51,269	-
	(m) Rent	17,64,966	16,80,918
	(n) Legal Expenses	13,27,600	-
	(o) Electricity & Water	3,77,065	5,06,678
	(p) AGM Expenses	2,69,450	2,49,080
	(q) Payment to Auditors:		
	(i) As Auditor	2,00,000	2,00,000
	(ii) For Taxation Matters	50,000	50,000
	(r) Recruitment charges	1,66,62,655	69,77,819
	(s) Rates & Taxes	2,20,742	33,43,768
	(t) Repairs & Maintenance	1,87,942	-
	(u) Operating Expenses	5,20,521	25,01,023
	(v) Net Foreign Exchange Loss	18,06,146	-
	Total Administrative & Other Expenses	4,63,99,820	6,36,89,368



## Notes to Accounts

### 24. Corporate Insolvency Resolution Process:

Subsequent to the balance sheet date, on the 22nd May 2020, the NCLAT passed orders upholding the order of the NCLT Hyderabad dated 26th March 2018. As a result, the stay issued by the Supreme Court on the NCLT order is vacated thereby resuming the IBC proceedings on the Company.

The promoter of the company Mr.P.Chandra Sekhar approached the supreme court appealing against the order of the NCLAT dated 22nd May 2020. The Supreme Court dismissed the application of the Promoter.

The IRP took charge of the company and resumed CIRP Proceedings as is where is.

The promoters entered into an out of the court settlement with the members of the Committee of Creditors and thus the committee of creditors filed an application for withdrawal on the 11th of November 2020 in form 12 AA thus concluding the Corporate Insolvency Resolution Proceedings.

The NCLT Hyderabad passed orders withdrawing the IBC proceedings on the 04th of January 2021.

Thus, the company was under the control of the Insolvency Resolution Professional for the period 22nd May 2020 to 04th January 2021.

The Resolution Professional handed over the company back to the promoters/directors on the 08th of January 2021.

Thus, the company was under control of the Insolvency Resolution professional from 22nd May 2020 to 4th January 2021, during this period The Insolvency Resolution professional did not comply with statutory compliances like PF, ESI, PT, TDS, GST, Income Tax, SEBI and Other Compliances.

### 25. Statutory Dues- Emphasis of Matter

The Auditors report have laid Emphasis in respect of unpaid statutory dues. The company has just come out of NCLT process and the company is in the

process of clearing the statutory dues.

### 26. Covid-19-Pandemic

On March 11, 2020, the WHO (World Health Organization) declared Covid-19 outbreak as a pandemic. The lockdowns and restrictions imposed on various activities due to COVID-19 pandemic have posed challenges on the businesses of Company. Our Operations were effected and caused a severe strain on our cash flows as well.

### 27. Contingent Liabilities:

The Following are the contingent liabilities not provided for in respect of matters under dispute as the company is confident that the outcome would be in its favour on the basis of merits.

#	Name of the statute	Nature of Dues	Under Section	Amount (₹)	Period to which the amount relates	Forum where the dispute is pending
	Income Tax Act, 1961	Income Tax	Set Aside	3,29,85,990	A.Y. 2009-10	CIT(Appeals)
	Income Tax Act, 1961	Income Tax	143(3)	1,70,34,842	A.Y. 2011-12	CIT(Appeals)
	Income Tax Act, 1961	Income Tax	147 r.w Sec.144	66,78,883	A.Y 2011-12	CIT (Appeals)
	Income Tax Act, 1961	Income Tax	143(3)	1,15,75,170	A.Y. 2012-13	CIT(Appeals)
	Income Tax Act, 1961	Income Tax	143(3)	3,83,56,680	A.Y. 2013-14	ITAT(Appeals)
	Income Tax Act, 1961	Income Tax	143(3)	2,24,09,220	A.Y. 2014-15	CIT(Appeals)
	Total :			12,90,40,785		

## 28. Micro, Small and Medium Enterprises:

The Company has not received any intimation from "Suppliers" regarding their status under Micro, Small and Medium Enterprises Development Act, 2006, and hence disclosure if any, relating to the amount unpaid as at the year-end together with interest paid/payable as required under the said act have not been given.

## 29. 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 Subsidiary at Portugal has commenced operations and the financial statements of the subsidiary have been consolidated and presented.

Further a 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.

## 30. 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).

## 31. Earnings Per Share

Particulars	2020 (₹)	2019 (₹)
Profits attributable to Equity Shareholders	88,62,091	620,66,110
Weighted Average No. Of Equity Shares outstanding during the year for computing Basic and Diluted EPS (Shares)	989,58,241	989,58,241
Basic EPS - Rs.	0.09	0.63
Diluted EPS- Rs.	0.09	0.63

## 32. Related Party Disclosures

### I. Key Management Personnel

1. Mr.P.C.Pantulu – Managing Director
2. Mr.K.S.Shiva Kumar – Director
3. Mr.P.Chandra Sekhar – Director
4. Mr.K.Koteswara Rao - Director
5. Ms.C.Kamakshi Bharathi- Director
6. Mr.V.S.Roop Kumar- Director
7. Mr.B.Srinivasa Reddy - Director
8. Mr.Suraj Bharadwaj – Director

## II. Parties where control exists - Wholly Owned Subsidiary

1. Cybermate Infotek Limited Inc
2. Cybermate International Unipessol, LDA

## III. Enterprises controlled by Key Management Personnel

1. Orchasp Consulting (P) Ltd
2. Orchasp Securities (P) Ltd
3. CIL Infoserve Ltd
4. Bilwa Infrastructure Ltd

## IV. Relatives of Key Management Personnel

1. Mrs. P. Rajeswari – Wife of Mr. P.C.Pantulu.
2. Mrs. P. Sirisha – Daughter of Mr. P.C.Pantulu
3. Mr. P. Srikrishna – Brother of Mr. P.C.Pantulu
4. Mrs. K. Sirisha- Wife of Mr. P.Chandra Sekhar
5. Mr. P.Manjush – cousin of Mr. P.Chandra Sekhar
6. Mr. K.Bhujangarao – Father In Law of Mr. P. Chandra Sekhar

## Summary of Related Party Transactions 2019-20

INR

Particulars	2019-20		2018-19	
	Transaction Value	Closing Balance	Transaction Value	Closing Balance
<b>A. Rendering of Software Services</b>				
(a) CIL Infoserve Ltd	3.87	287.65	123.28	288.95
(b) Orchasp Securities (P) Ltd	2.36	10.11	180.86	162.09
(c) Bilwa Infrastructure Ltd	32.78	146.7	22.12	17.37
(d) Orchasp Consulting (P) Ltd	2.36	-19.22	45.05	3.57
Total	41.38	425.24	371.32	471.98
<b>B. Advances taken</b>				
<b>Key Management Personnel</b>				
(a) Mr. P.C. Pantulu	0.60	183.23	1.74	184.93
(b) Mr. P. Chandra Sekhar	21.25	2.72	9.90	1.92
Total	21.85	185.94	11.64	186.84
<b>Relatives of Key Managerial Personnel</b>				
(a) Ms. Rajeswari Pattapurathi	-	17.03	-	17.03
(b) Ms. Sirisha Kasukhela	-	41.27	-	41.27
(c) Mr. Manjush Pattapurathi	-	5.00	-	5.00
(d) Mr. Srikrishna Pattapurathi	-	1.77	-	1.87
(e) Mr.K.Bhujanga Rao	6.77	6.42	9.60	-
Total	6.77	71.48	9.60	65.17
<b>Enterprises Controlled by Key Management Personnel</b>				
(a) Bilwa Infrastructure Ltd	-	-	-	-
(b) Orchasp Consulting (P) Ltd	-	-	-	-
(c) Orchasp Securities (P) Ltd	-	-	-	-
(d) CIL Infoserve Ltd	-	-	-	-
Total	-	-	-	-
<b>C. Managerial Remuneration</b>				
(a)Mr. K.S. Shiva Kumar	9.60	85.54	8.42	75.94
(b)Mr. P. Chandra Sekhar	18.50	100.94	9.50	82.44
(c) Mr. P. C. Pantulu	30.00	108.94	26.78	78.94
Total	58.10	295.41	44.71	237.31

## Aggregated Related Party Disclosures

INR in Lakhs

Nature of Transaction	Associate/ Subsidiary	Key Management Personnel	Relatives of Key Management Personnel	Enterprises controlled by relatives of Key Management Personnel	Total
Remuneration	-	58.10(50.40)	-	-	58.10(50.40)
Trade Payables	-	-	-	-	-
Trade Receivables	-	-	-	87.32(94.81)	87.32(94.81)
Advances/ Loans/ICDs Received	-	21.84(11.64)	6.76(9.60)	NIL(1.3)	28.6(180.99)
Advances/ Loans/ICDs Repaid	-	22.74(66.77)	0.45(40.95)	NIL(1.3)	23.19(412.13)
Balances outstanding as on					
31-03-2019					
Receivable	-	-	-	425.24(879.34)	425.24(879.34)
Payable	-	185.94(186.84)	71.83(65.17)	NIL(NIL)	257.77(252.55)

Previous years figures have been regrouped where ever necessary

## 33. Payments to Auditors

Particulars	2020 (₹)	2019 (₹)
As Auditor		
For Statutory Audit	2,00,000	2,00,000
For Tax Audit	50,000	50,000
Total	2,50,000	2,50,000

## 34. Foreign Currency Convertible Bonds

(a) Utilisation	
No of FCCBs Issued	105
Value of each bond USD	100,000
Total FCCB Offering USD	10,500,000
Investment in Wholly owned Subsidiary- USD	10,500,000
Balance Unutilised -USD	-
(b) No of Bonds outstanding	
No of FCCBs Issued	105
No of Bonds converted into Equity Shares	5
Balance FCCBs outstanding	100
(c) Initial Recognition of Foreign Currency Convertible Bonds (FCCB)	
Particulars	Amount
Total FCCBs issued	Rs. 68,25,00,000
Less: Converted into Equity	Rs. 3,25,00,000
Equity Component as on Balance Sheet date	Rs. 61,84,84,067
Liability Component as on Balance Sheet date	Rs. 3,65,09,996

## (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 109 as mentioned in the accounting policy on Financial Instruments.

## 35. Earnings in Foreign Currency

₹ in lakhs

Particulars	2020	2019
Export Earnings	5,146.09	5,932.72
Total	5,146.09	5,932.72

## 36. Expenditure in Foreign Currency

₹ in lakhs

Particulars	2020	2019
Operational Expenses	3,933.46	4,596.45
Consultancy & Professional Fee	84.98	10.19
Service Charges	17.00	33.28
Preliminary Expenses	—	35.15
Interest - FCCB	65.00	69.04
Recruitment & Office Costs	184.28	—
Travel	3.68	—
Total	4,288.40	4,744.11

37. Debtors, Creditors, Loans and Advances are subject to confirmation and reconciliation.

38. Previous year figures have been regrouped and rearranged wherever necessary to conform to this years' classification.

As per our Report of even date

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



A. Krishna Rao  
Partner  
M.No: 020085  
UDIN: 21020085AAAAJJ7581

Place: Hyderabad  
Date : 13-02-2021

For and on behalf of the Board  
For Cybermate Infotek Limited



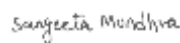
P.C Pantulu  
Managing Director  
DIN 01583136



P.Chandra Sekhar  
Director  
DIN 01647212

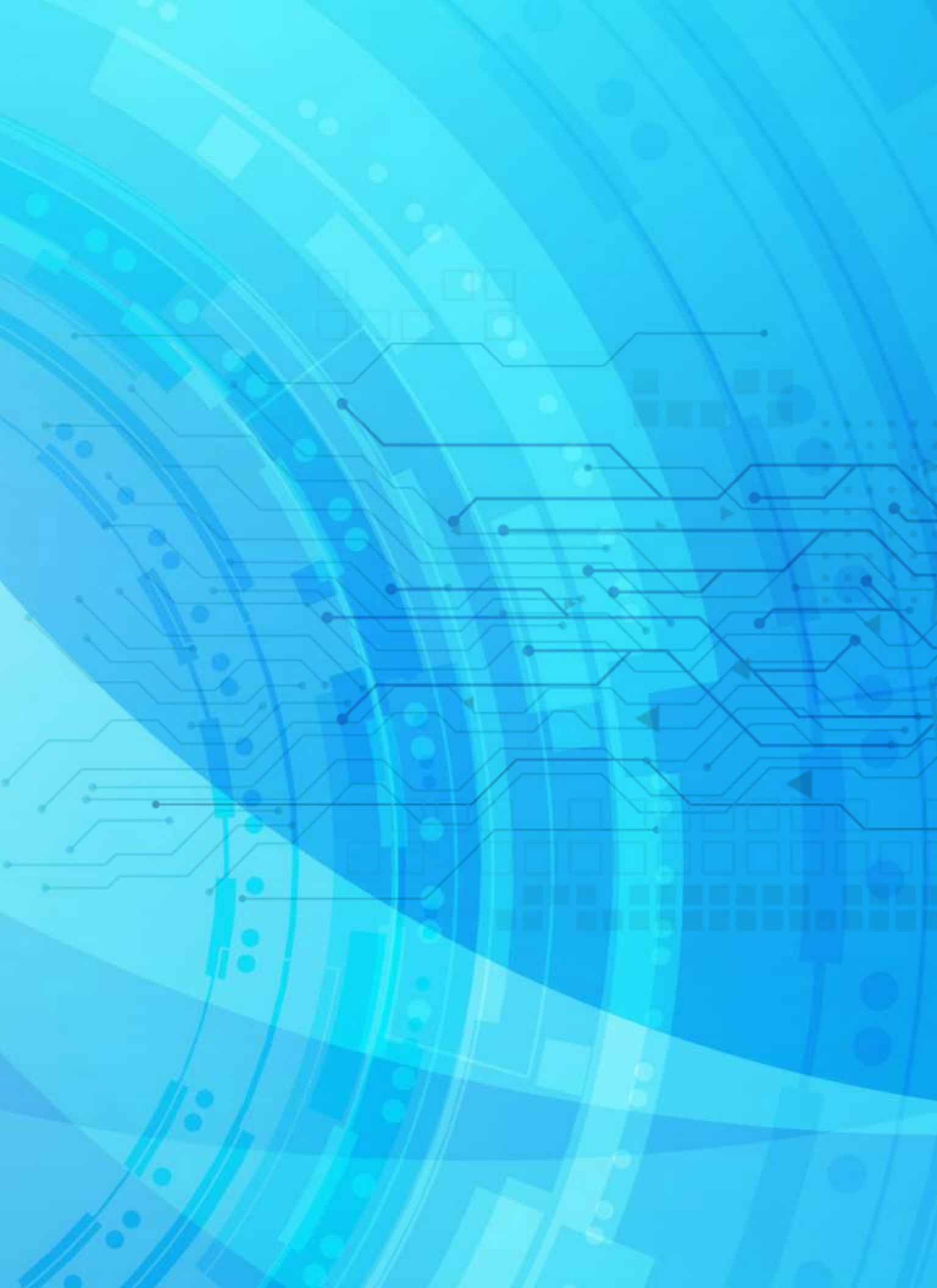


K.S. Shiva Kumar  
Director  
DIN 02103299



Sangeeta Mundhra  
Company Secretary  
M.No 59771





# 13

## Consolidated Financial Statements

CONSOLIDATED

## INDEPENDENT AUDITOR'S REPORT

To the Members of M/S. CYBERMATE INFOTEK LIMITED

Report on the Consolidated Ind AS Financial Statements

### Opinion

We have audited the accompanying Consolidated Ind AS financial statements of M/s. CYBERMATE INFOTEK LIMITED (hereinafter referred to as Holding company), which includes its two foreign subsidiaries (the Holding company and its subsidiaries together referred to as "The Group" its subsidiaries comprising the Consolidated Balance Sheet as at March 31, 2020, the Consolidated Statement of Profit and Loss (Including other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated 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, 2020, 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 of the Consolidated Financial Statements 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 Group" 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 there under, 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.

**Emphasis of Matter:**

a. 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. After the Balance sheet date ie.on 22nd May 2020 the stay has been revoked and The IBC proceedings has been started on the company. On 11th November 2020 the creditors of the company has filed an application for withdrawal of IBC proceedings. The NCLT Hyderabad passed withdrawing IBC proceedings on 4th January 2021. The company has not complied with the provisions of SEBI Listing and other statutory compliances. (Refer Note No:24 of Notes to Accounts of standalone Financial Statements

b. The company has not paid the Statutory Dues for a period of more than 6 months from the date they become payable. The details are as given below.(Refer Note No: 25 of Notes to Accounts of standalone Financial statements)

#	Name of the statute	Amount (₹)	Nature of the Dues	Date of Payment
1.	Telangana Profession Act	2,81,832	Professional tax	Amount not paid till date.
2.	Employees Provident Fund & Misc Provisions Act 1952	10,72,723	Provident Fund	Provident Fund
3.	Income Tax Act, 1961	19,57,444	TDS	Amount not paid till date.
4.	Income tax Act,1961	1,24,07,619	Income Tax for Fy 2018-19	Amount not paid till date
5.	Employee state Insurance	1,73,666	ESI	Amount has not been paid till date

c. We draw attention to Note No: 26 of the standalone financial statements, which describe the uncertainties and the impact of Covid -19 pandemic on the company's operations and results as assessed by the management. The actual results may differ from such estimates depending on future developments.

Our opinion is not modified with respect of the above matters.

**Key Audit Matters**

- Issue of Foreign Currency Convertible Bond's (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 FCCBs. The FCCBs converted into Equity as on 31-03-2020 is for an amount of Rs.3,25,00,000/-.

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 Holding 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, re performance 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 Holding 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, 2020 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 1st 2020 to evaluate whether any change was required to management's position on these uncertainties.

#### 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.

#### Responsibilities of Management for the Consolidated Financial Statements

The Holding 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 also 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 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)(l) 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.

#### Other Matter:

We did not audit the financial statement and other financial information, in respect of the two foreign subsidiaries, whose Ind AS financial statements include total assets of Rs.79.14 Lakhs, year ended and total Revenues Rs.3107.85 and total profit after Tax of and Rs.79.59 total comprehensive profit of Rs.79.43 Lakhs year ended 31st March 2020, as considered in financial statements of the Group. The Management of the Holding company has prepared the financial statements and furnished to us and our conclusion on the Statement, in so far as it relates to the amounts and disclosures in respect of these subsidiaries in based slowly on the report of Management and procedures performed by us as stated above.

Our conclusion on the statement is not modified in respect of the above matter.



#### 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, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act. (Refer Note No: 24 Notes to standalone Financial statements.)

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 disclosed the impact of pending litigations on its financial position in its financial statements. (Refer Note No: 27 of Notes to consolidated Financial statements)

ii. The Company did not have any long-term contracts

including derivative contracts for which there were any material foreseeable losses.

iii. There 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.



A. Krishna Rao

Partner

M.No: 020085

UDIN: 21020085AAAAJK5438

Place: Hyderabad

Date: 13/02/2021

## 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, 2020 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 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, 2020, 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.



A. Krishna Rao  
Partner  
M.No:020085  
UDIN: 21020085AAAAJK5438

Place: Hyderabad  
Date: 13-2-2021

## Balance Sheet as at March 31, 2020

Particulars	Notes	As At 31.03.2020 (₹)	As At 31.03.2019 (₹)
<b>I ASSETS</b>			
<b>1. Non-current assets</b>			
a) Property, Plant and Equipment	2	22,63,082	36,18,476
b) Capital work-in-progress		-	-
c) Investment Property		-	-
d) Goodwill		-	-
e) Other Intangible assets	3	1,40,568	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	68,25,00,000
(ii) Trade receivables		-	-
(iii) Loans		-	-
(i) Deferred tax assets (net)	5	19,76,199	21,00,443
(j) Other non-current assets		-	-
<b>2. Current assets</b>			
a) Inventories		-	-
b) Financial Assets		-	-
(i) Investments	6	16,932	32,554
(ii) Trade receivables	7	52,21,13,420	43,32,95,008
(iii) Cash and cash equivalents	8	6,94,408	83,10,456
(iv) Bank balances other than (iii) above		-	-
(v) Loans		-	-
(vi) Others (to be specified)	9	11,66,859	12,08,395
(c) Current Tax Assets (Net)		-	-
(d) Other current assets	10	2,95,58,063	2,88,52,280
<b>Total Assets</b>		<b>1,24,04,29,531</b>	<b>1,16,00,52,823</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
a) Equity Share capital	11	19,79,16,482	19,79,16,482
b) Other Equity	12	78,22,93,119	76,54,87,817
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
a) Financial Liabilities			
(i) Borrowings		-	-
(ii) Trade payables		-	-
(iii) Other financial liabilities (other than those specified in item (b), to be specified)	13	3,65,09,996	3,36,97,805
b) Provisions		-	-
c) Deferred tax liabilities (Net)		-	-
d) Other non-current liabilities		-	-
<b>Current liabilities</b>			
a) Financial Liabilities			
(i) Borrowings		-	-
(ii) Trade payables	14	8,66,75,206	2,69,38,528
(iii) Other financial liabilities (other than those specified in item (c))	15	2,46,12,004	4,54,81,082
b) Other current liabilities	16	6,83,65,558	5,58,29,627
c) Provisions	17	2,21,62,729	1,50,76,666
d) Current Tax Liabilities (Net)	18	2,18,94,436	1,96,24,816
<b>Total Equity and Liabilities</b>		<b>1,24,04,29,531</b>	<b>1,16,00,52,823</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



A. Krishna Rao  
Partner  
M.No:020085  
UDIN: 21020085AAAAJK5438

Place: Hyderabad  
Date : 13-02-2021

For and on behalf of the Board  
For Cybermate Infotek Limited



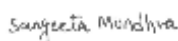
P.C Pantulu  
Managing Director  
DIN 01583136



P. Chandra Sekhar  
Director  
DIN 01647212



K.S. Shiva Kumar  
Director  
DIN 02103299



Sangeeta Mundhra  
Company Secretary  
M.No 59771

## Statement of Profit and Loss for the year ended March, 31, 2020

Particulars	Notes	As At 31.03.2020 (₹)	As At 31.03.2019 (₹)
<b>INCOME</b>			
Revenue From operations	19	82,59,39,385	60,44,47,546
Other Income	20	19,78,042	3,68,70,891
<b>Total Income</b>		<b>82,79,17,427</b>	<b>64,13,18,437</b>
<b>EXPENSES</b>			
Cost of consumption		47,808	-
Purchases of Licenses for Software Applications		30,31,70,731	-
Changes in inventories of finished goods, Stock-in -Trade and WIP		-	-
Employee benefits expense	21	45,15,43,001	48,95,48,023
Finance costs	22	65,00,000	1,25,54,299
Depreciation and amortization expenses	2&3	13,85,150	14,93,447
Other expenses	23	4,60,55,948	6,36,89,368
<b>Total expenses</b>		<b>80,87,02,639</b>	<b>56,72,85,136</b>
<b>PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS AND TAX</b>		<b>1,92,14,788</b>	<b>7,40,33,301</b>
Exceptional Items		-	-
<b>PROFIT/ (LOSS) BEFORE EXCEPTIONS ITEMS AND TAX</b>		<b>-</b>	<b>-</b>
<b>TAX EXPENSE:</b>			
(1) Current tax		22,69,620	1,24,07,619
(2) Deferred tax	5	1,24,244	-4,40,429
<b>Profit (Loss) for the period from continuing operations</b>		<b>1,68,20,924</b>	<b>6,20,66,110</b>
Profit/(loss) from discontinued operations		-	-
Tax expenses of discontinued operations		-	-
<b>Profit/(loss) from Discontinued operations (after tax)</b>		<b>-</b>	<b>-</b>
<b>PROFIT/(LOSS) FOR THE PERIOD</b>		<b>1,68,20,924</b>	<b>6,20,66,110</b>
Other Comprehensive Income			
A. (i) Items that will not be reclassified to profit or loss		-15,622	61,84,84,064
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
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>1,68,05,302</b>	<b>68,05,50,174</b>
Comprising Profit (Loss) and Other comprehensive Income for the period)			
<b>Earnings per equity share (for continuing operation):</b>			
(1) Basic		0.17	0.63
(2) Diluted		0.17	0.63
<b>Earnings per equity share (for discontinued operation):</b>			
(1) Basic		-	-
(2) Diluted		-	-
<b>Earning per equity share (for discontinued &amp; continuing operation)</b>			
(1) Basic		-	-
(2) Diluted		-	-

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



A. Krishna Rao  
Partner  
M.No:020085  
UDIN: UDIN: 21020085AAAAJK5438

Place: Hyderabad  
Date : 13-02-2021

For and on behalf of the Board  
For Cybermate Infotek Limited



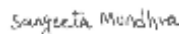
P.C Pantulu  
Managing Director  
DIN 01583136



P.Chandra Sekhar  
Director  
DIN 01647212



K.S. Shiva Kumar  
Director  
DIN 02103299



Sangeeta Mundhra  
Company Secretary  
M.No 59771

## Cash Flow Statement for the year ended 31st March 2020

Particulars	As At 31.03.20 (₹)	As At 31.03.19 (₹)
<b>A. Cash Flow from Operating Activities:</b>		
Profit before taxation	1,92,14,788	7,40,33,301
Adjustments for : -		
Depreciation	13,85,150	14,93,447
Interest Expense	65,00,000	1,25,54,299
Amortisation of Product Development Cost	-	-
Diminution in value of Investment	-	-
Impairment of Intangible Asset	-	-
Interest Income	-	(7,056)
Dividend Income	-	-
Bad Debts Written Off	-	-
Operating Profit before working capital changes	2,70,99,938	8,80,73,991
(Increase) / Decrease in Income Tax Liability	22,69,620	-
(Increase) / Decrease in Trade Receivables	(8,90,35,912)	(11,87,62,730)
(Increase) / Decrease in Other Current Assets	(6,64,247)	58,75,549
Increase / (Decrease) in Trade Payables	5,97,36,679	16,92,225
Increase / (Decrease) in Other Current Liabilities	1,25,35,930	(45,71,529)
Increase / (Decrease) in Short Term Provisions	70,86,063	64,48,117
Cash generated from Operations	1,90,28,071	(2,12,44,377)
Taxes Paid	22,69,620	-
Net Cash Generated from Operating activities (A)	1,67,58,451	(2,12,44,377)
<b>B. Cash Flow from Investing Activities :</b>		
Purchase of tangible assets/intangible assets (net) including transfer from CWIP	(35,112)	(13,46,431)
Sale of Fixed Assets	-	1,57,44,142
Decrease in Capital Work In Progress	-	-
Interest Income	-	-
Dividend Income	-	-
(Increase) in Current Investments	-	(1,03,036)
(Decrease) in Non Current Investments	-	(68,25,00,000)
(Decrease) in Other Non Current liabilities	28,12,191	3,36,97,805
Net Cash Flow from Investing Activities (B)	27,77,079	(63,45,07,520)
<b>C. Cash Flow from Financing Activities :</b>		
Issue of Share Capital	-	3,68,32,558
Capital	-	62,50,41,509
Increase in Short Term Borrowings	(2,08,69,078)	-
Interest Paid	(65,00,000)	(1,25,47,245)
Increase in Long Term liabilities	-	-
Net Cash from Financing Activities (C)	(2,73,69,078)	64,93,26,822
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	(78,33,548)	(64,24,715)
Cash & Cash Equivalents at the beginning of the year	85,27,956	1,47,35,170
Cash & Cash Equivalents at the end of the year	6,94,408	83,10,456
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		

## 4. Cash and Cash Equivalents Comprise

Particulars	As At 31.03.20 (₹)	As At 31.03.19 (₹)
Cash on hand	2,71,868	3,540
Balances with Banks on Current and Deposit Accounts	4,22,540	83,06,914
Total	6,94,408	83,10,454

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



A. Krishna Rao  
Partner  
M.No:020085  
UDIN: UDIN: 21020085AAAAJK5438  
Place: Hyderabad  
Date : 13-02-2021

For and on behalf of the Board  
For Cybermate Infotek Limited



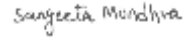
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Director  
DIN 01647212



K.S. Shiva Kumar  
Director  
DIN 02103299



Sangeeta Mundhra  
Company Secretary  
M.No 59771



## 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 reconciliation of effects of the transition from Indian GAAP on the equity as at April 1, 2016 and March 31, 2017 and on the net profit and material adjustments to cash flows for the year ended March 31, 2017 is disclosed in the Financial Statements.

The Consolidated Financial Statements provide comparative information in respect of previous year. In addition, the company presents Balance Sheet as at the beginning of previous year, which is the transition date to Ind AS.

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, assumptions 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 accounting policies for 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 intra group transactions and resulting unrealised profit s have been eliminated.

List of overseas subsidiaries considered in consolidated financial statements.

Name of the Subsidiary	Country of Incorporation	Extent of holding as on	
		31.03.2020	31.03.2019
Cybermate Infotek Limited Inc	USA	100%	100%
Cybermate International, Unipessoal, LDA	Portugal	100%	100%

#### 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) Transition to Ind AS

On transition to Ind AS, the company has decided to continue with the carrying value of property, plant & equipment recognised as at April 1, 2016 as per the previous GAAP and adopted that carrying value as the deemed cost of property, plant & equipment.

The residual value, useful lives and methods of depreciation of Property, Plant & Equipment are reviewed as per Schedule II of Companies Act, 2013 at each Financial Year end and adjusted prospectively.

##### (iii) 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:

##### (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 its 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) Transition to Ind AS

On transition to Ind AS, the company has decided to continue with the carrying value of intangible assets recognised as at April 1, 2016 as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

#### (iii) 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

##### Software internally developed

Particulars	Useful life
Product / Platform	4 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 in to 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, subscriptions for services and ecommerce.

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 services 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.

#### (iii) Sale of Licenses and Subscriptions:

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.

Revenues from sale of subscriptions shall be recognised linear to the period of the contract.

#### (iv) Ecommerce/Retail

Revenue from ecommerce transactions i.e. sale of third-party products/applications/services shall be

recognised on realisation of the merchandise.

(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.

### I. 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. 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 2020.

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 recognised 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 cash flows 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.

(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.

(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 credit-worthiness 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 realisable value.



## Note 2 : Property, Plant & Equipment

The changes in the carrying value of Property, Plant and Equipment for the year ended March 31, 2020

Particulars	Buildings	Electrical Equipment	Office Equipment	Computer Equipment	Furniture and Fixtures	Total
Gross Carrying Value as of 1st April, 2019	-	58,54,491	20,84,298	1,46,20,805	1,29,99,936	3,55,59,531
Additions				15,805	4,907	20,712
Deductions						-
Gross Carrying Value as of 31st March, 2020	-	58,54,491	20,84,298	1,46,36,610	1,30,04,843	3,55,80,243
Additions						-
Deductions						-
Accumulated depreciation as of April 1, 2019	-	55,40,753	18,21,724	1,35,30,347	1,10,48,231	3,19,41,055
Depreciation		21,012	1,58,359	2,70,361	9,26,375	13,76,106
Accumulated depreciation on deletions						-
Accumulated depreciation as of March 31, 2020	-	55,61,765	19,80,083	1,38,00,708	1,19,74,605	3,33,17,161
Carrying Value as of March 31, 2020	-	2,92,726	1,04,215	8,35,902	10,30,238	22,63,082
Carrying Value as of April 1, 2019	-	3,13,738	2,62,574	10,90,458	19,51,706	36,18,476

## Note 2 : Property, Plant & Equipment

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

Particulars	Buildings	Electrical Equipment	Office Equipment	Computer Equipment	Furniture and Fixtures	Total
Gross Carrying Value as of 1st April, 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 31st March, 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 April 1, 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 March 31, 2018		55,40,753	18,21,724	1,35,30,347	1,10,48,231	3,19,41,055
Carrying Value as of March 31, 2019	-	3,13,738	2,62,574	10,90,458	19,51,706	36,18,476
Carrying Value as of April 1, 2018	1,57,44,142	3,24,913	1,09,439	7,60,650	27,05,702	1,96,44,845

## Note 3 : Intangible Assets

The Changes in the Carrying Value of acquired intangible assets for the year ended March 31, 2020 are as follows:

Particulars	Total
Gross carrying value as of 1st April, 2019	38,48,31,729
Additions	14400
Deletions	
Gross carrying value as of March 31,, 2020	38,48,46,129
Accumulated amortisation as of 1st April, 2019	38,46,96,517
Amortisation expenses	9,044
Deletions	
Accumulated amortisation as of March 31, 2020	38,47,05,561
Carrying value as of March 31, 2020	1,40,568
Carrying value as of March 31, 2019	1,35,212

## 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
Gross carrying value as of 1st April, 2018	38,46,58,457
Additions	1,73,272
Deletions	
Gross carrying value as of March 31,, 2019	38,48,31,729
Accumulated amortisation as of 1st April, 2018	38,46,58,457
Amortisation expenses	38,060
Deletions	
Accumulated amortisation as of March 31, 2019	38,46,96,517
Carrying value as of March 31, 2019	1,35,212
Carrying value as of March 31, 2018	1,73,272

## Note 4 : Financial Investments

Particulars	As At 31.03.2020 (₹)	As At 31.03.2019 (₹)
Investment in Non-Current Investments		
by the subsidiary Cybermate International, Unipesol, LDA		
Healthcare Infotek, Togo	68,25,00,000	68,25,00,000
Total Non Current Investments	68,25,00,000	68,25,00,000

## Note 5 : Deferred Tax Asset

Particulars	As At 31.03.2020 (₹)	As At 31.03.2019 (₹)
Opening Deferred tax Asset	21,00,443	16,60,014
Current year adjustments	-1,24,244	4,40,429
Deferred Tax Asset	19,76,199	21,00,443

## Note 6 : Current Investments

Particulars	As At 31.03.2020 (₹)	As At 31.03.2019 (₹)
Equity instruments of other Companies-Quoted		
Tech Mahindra Ltd(5 equity shares of Rs.10/- each)	2,825	3,192
HCL Infosystems Ltd (100 Equity Shares of Rs. 2/- each)	370	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)	4,368	9,695
APTECH LTD (25 Equity Shares of Rs.2/- each)	2,095	6,454
ITC Ltd (10 Equity Shares of Rs.1/- each)	1,720	2,559
Equity instruments of other Companies-UnQuoted	-	-
Total Current Investments	16,932	32,554

## Note 7 : Trade Receivables

Particulars	As At 31.03.2020 (₹)	As At 31.03.2019 (₹)
Current		
Unsecured		
Considered good	52,21,13,420	43,32,95,008
Considered doubtful		
Total Trade Receivables	52,21,13,420	43,32,95,008

## Note 8 : Cash &amp; Cash Equivalents

Particulars	As At 31.03.2020 (₹)	As At 31.03.2019 (₹)
Balances with Banks		
In Current & Deposit accounts	4,22,540	83,06,914
Cash on hand	2,71,868	3,540
Total Cash & Cash Equivalents	6,94,408	83,10,454

## Note 9 : Other Financial Assets

Particulars	As At 31.03.2020 (₹)	As At 31.03.2019 (₹)
Current		
Security Deposits	2,99,588	2,99,588
Rental Deposits	8,67,271	9,08,807
Total Other Financial Assets	11,66,859	12,08,395

## Note 10 : Other Current Assets

Particulars	As At 31.03.2020 (₹)	As At 31.03.2019 (₹)
Current		
Advances Recoverable in cash or kind	18,71,149	18,19,028
Advance Taxes & Duties	2,76,18,164	2,69,64,502
Other Current Assets	68,750	68,750
Total Other Current Assets	2,95,58,063	2,88,52,280

## Note 11 : Share Capital

Particulars	As At 31.03.2020 (₹)	As At 31.03.2019 (₹)
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	19,79,16,482
C.Y 9,89,58,241( P.Y. 8,05,41,962 ) shares of Re.2/- each		
Total Paid up Equity Share Capital	19,79,16,482	19,79,16,482

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.2/- each

## Issued, Subscribed &amp; Paid-Up

The Issued and Subscribed Capital of the Company as at 31st March 2020 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 2019 is of Rs.19,79,16,482, represented by 9,89,58,241 Equity Shares of Rs.2/- each.

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 2019	9,89,58,241	19,79,16,482	9,89,58,241	19,79,16,482	-	-
Add :	-	-	-	-	-	-
Add :	-	-	-	-	-	-
Balance as at 31st March 2020	9,89,58,241	19,79,16,482	9,89,58,241	19,79,16,482	-	-

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:

Shareholders holding more than 5 % of the paid up capital	As At 31.03.2020 Number %		As At 31.03.2019 Number %	
a) Promoter & Promoter Group				
1. Mr. P.C.Pantulu	1,68,01,269	16.98	1,68,15,820	16.99
b) Others-bond holders				
2. Global Focus Fund	1,39,68,179	14.12	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	Total Equity attributable to equity holders of the subsidiary
	Securities Premium Reserve	Retained Earnings	General Reserve	Share Warrants	Business transfer adjustment reserve	Equity Instruments through OCI	Other Items of OCI		
Balance as at 1st April, 2018	1,94,40,000	5,53,08,771	-	-	-	1,427	-	7,47,50,198	-
Changes in equity for the									
year ended March 31, 2018									
Increase in share capital	22,67,442							22,67,442	-
on account of fresh issue									
Issue of Share Warrants	79,20,000							79,20,000	-
Remeasurement of the net									
defined benefit liability/asset,									
net of tax effect									
Fair Valuation of investments,									
net of tax effect									
Equity Instruments through						61,84,84,067		61,84,84,067	-
other comprehensive income,									
net of tax effect									
Reversal of Provision									
Profit for the Period		6,20,66,110						6,20,66,110	-
Balance as at 31st March, 2019	2,96,27,442	11,73,74,881	-	-	-	61,84,85,494	-	76,54,87,817	-
Balance as at 1st April, 2019	2,96,27,442	11,73,74,881	-	-	-	61,84,85,494	-	76,54,87,817	-
Changes in equity for the -									
year ended March 31, 2018									
Increase in share capital	-	-	-	-	-	-	-	-	-
on account of fresh issue									
Issue of Share Warrants	-	-	-	-	-	-	-	-	-
Remeasurement of the net	-	-	-	-	-	-	-	-	-
defined benefit liability/asset,									
net of tax effect									
Fair Valuation of investments,	-	-	-	-	-	-15,622	-	-15,622	-
net of tax effect									
Equity Instruments through	-	-	-	-	-	-	-	-	-
other comprehensive income,									
net of tax effect									
Reversal of Provision	-	-	-	-	-	-	-	-	-
Profit for the Period	-	1,68,20,924	-	-	-	-	-	1,68,20,924	79,58,834
Balance as at 31st March, 2020	2,96,27,442	13,41,95,805	-	-	-	61,84,69,872	-	78,22,93,119	79,58,834

## Note 13 : Financial Liabilities

Particulars	As At 31.03.2020 (₹)	As At 31.03.2019 (₹)
Other Financial Liabilities	3,65,09,996	3,36,97,805
<b>Total</b>	<b>3,65,09,996</b>	<b>3,36,97,805</b>

## Note 14 : Trade Payables

Particulars	As At 31.03.20 (₹)	As At 31.03.19 (₹)
Trade Payables	8,66,75,206	2,69,38,528
<b>Total Trade Payables</b>	<b>8,66,75,206</b>	<b>2,69,38,528</b>

## Note 15 : Other Financial Liabilities

Particulars	As At 31.03.20 (₹)	As At 31.03.2019 (₹)
Current maturities of Long Term Borrowings		-
Short Term Borrowings		
From Others	2,46,12,004	4,54,81,082
<b>Total Other Financial Liability</b>	<b>2,46,12,004</b>	<b>4,54,81,082</b>

## Note 16 : Other Current Liabilities

Particulars	As At 31.03.20 (₹)	As At 31.03.19 (₹)
Interest Payable		
Outstanding Expenses Payable		
Audit Fee Payable	4,50,000	2,25,000
Directors Remuneration Payable	2,88,95,473	2,37,31,273
Other Payable	3,90,20,088	3,18,73,355
<b>Total Other Current Liabilities</b>	<b>6,83,65,561</b>	<b>5,58,29,628</b>

## Note 17 : Provisions

Particulars	As At 31.03.20 (₹)	As At 31.03.19 (₹)
Provision for Employee Benefits		
PF Payable	15,41,385	9,48,051
ESI Payable	1,73,666	1,24,672
PT Payable	3,15,532	2,81,832
Salaries Payable	1,61,80,222	1,16,20,577
Others		
Statutory Liabilities	38,75,923	19,57,444
Others	76,000	1,44,089
<b>Total Provisions</b>	<b>2,21,62,728</b>	<b>1,50,76,665</b>



## Note 18 : Income tax Liability

Particulars	As At 31.03.2020 (₹)	As At 31.03.2019 (₹)
Income Tax (Net)	1,96,24,816	1,96,24,816
Current Income Tax	22,69,620	-
Total	2,18,94,436	1,96,24,816

## Note 19 : Revenue from operations

Particulars	As At 31.03.2020 (₹)	As At 31.03.2019 (₹)
Revenue from Operations		
Domestic Sales	5,44,500	1,11,75,255
Export Sales	82,53,94,885	59,32,72,291
Total Revenue from Operations	82,59,39,385	60,44,47,546

## Note 20 : Other Income

#	Particulars	As At 31.03.2020 (₹)	As At 31.03.2019 (₹)
I	(a) Dividend Income	-	-
	(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)	-	-
	(d) Net gain/loss on foreign currency translation and transaction (other than considered as finance cost)	-	1,27,20,374
	Other income	19,78,042	-
	Total Other Income	19,78,042	3,68,70,891

## Note 21 : Employee Benefits Expenses

#	Particulars	As At 31.03.2020 (₹)	As At 31.03.2019 (₹)
I	(a) Salaries & Wages	44,18,85,968	48,59,32,123
	(b) Contribution to Provident & Other Funds	3,39,235	5,88,078
	(c) Staff Welfare Expenses	93,17,798	30,27,822
	Total Employee Benefit Expenses	45,15,43,001	48,95,48,023

## Note 22 : Finance Cost

#	Particulars	As At 31.03.2020 (₹)	As At 31.03.2019 (₹)
I	(a) Interest Charges	65,00,000	1,25,54,299
	Total Employee Benefit Expenses	65,00,000	1,25,54,299

## Note 23 : Administrative &amp; Other Operating Expenses

Particulars	As At 31.03.2020 (₹)	As At 31.03.2019 (₹)
I (a) Telephone, Postage and Others	2,53,245	7,90,243
(b) Business Promotion Expenses	1,07,200	1,30,419
(c) Conveyance	3,97,646	6,75,738
(d) Travelling expenses	5,27,772	-
(e) Office Maintenance	42,51,850	2,17,52,655
(f) Printing & Stationery Expenses	1,88,644	2,95,467
(g) Service charges	17,00,346	-
(h) Managerial Remuneration	58,10,000	50,40,000
(i) RTA & Secretarial Expenses	11,19,083	11,69,338
(j) Professional Consultancy fee	86,39,080	1,82,16,222
(k) Board Meeting Expenses	1,07,955	1,10,000
(l) Bank Charges	51,269	-
(m) Rent	17,64,966	16,80,918
(n) Legal Expenses	13,27,600	-
(o) Electricity & Water	3,77,065	5,06,678
(p) AGM Expenses	2,69,450	2,49,080
(q) Payment to Auditors:		
(i) As Auditor	2,00,000	2,50,000
(ii) For Taxation Matters	50,000	-
(r) Recruitment charges	1,66,62,655	69,77,819
(s) Rates & Taxes	2,20,742	33,43,768
(t) Repairs & Maintenance	1,87,942	-
(u) Operating Expenses	5,20,521	25,01,023
(v) Net Foreign Exchange Loss	13,20,917	
Total Administrative & Other Expenses	4,60,55,948	6,36,89,368

## Notes to Accounts

### 24. Corporate Insolvency Resolution Process:

Subsequent to the balance sheet date, on the 22nd May 2020, the NCLAT passed orders upholding the order of the NCLT Hyderabad dated 26th March 2018. As a result, the stay issued by the Supreme Court on the NCLT order is vacated thereby resuming the IBC proceedings on the Company.

The promoter of the company Mr.P.Chandra Sekhar approached the supreme court appealing against the order of the NCLAT dated 22nd May 2020. The Supreme Court dismissed the application of the Promoter.

The IRP took charge of the company and resumed CIRP Proceedings as is where is.

The promoters entered into an out of the court settlement with the members of the Committee of Creditors and thus the committee of creditors filed an application for withdrawal on the 11th of November 2020 in form 12 AA thus concluding the Corporate Insolvency Resolution Proceedings.

The NCLT Hyderabad passed orders withdrawing the IBC proceedings on the 04th of January 2021.

Thus, the company was under the control of the Insolvency Resolution Professional for the period 22nd May 2020 to 04th January 2021.

The Resolution Professional handed over the company back to the promoters/directors on the 08th of January 2021.

Thus, the company was under control of the Insolvency Resolution professional from 22nd May 2020 to 4th January 2021, during this period The Insolvency Resolution professional did not comply with statutory compliances like PF, ESI, PT, TDS, GST, Income Tax, SEBI and Other Compliances.

### 25. Statutory Dues- Emphasis of Matter

The Auditors report have laid Emphasis in respect of unpaid statutory dues. The company has just come out of NCLT process and the company is in the

process of clearing the statutory dues.

### 26. Covid-19-Pandemic

On March 11, 2020, the WHO (World Health Organization) declared Covid-19 outbreak as a pandemic. The lockdowns and restrictions imposed on various activities due to COVID-19 pandemic have posed challenges on the businesses of Company. Our Operations were effected and caused a severe strain on our cash flows as well.

### 27. Contingent Liabilities:

The Following are the contingent liabilities not provided for in respect of matters under dispute as the company is confident that the outcome would be in its favour on the basis of merits.

#	Name of the statute	Nature of Dues	Under Section	Amount (₹)	Period to which the amount relates	Forum where the dispute is pending
	Income Tax Act, 1961	Income Tax	Set Aside	3,29,85,990	A.Y. 2009-10	CIT(Appeals)
	Income Tax Act, 1961	Income Tax	143(3)	1,70,34,842	A.Y. 2011-12	CIT(Appeals)
	Income Tax Act, 1961	Income Tax	147 r.w Sec.144	66,78,883	A.Y 2011-12	CIT (Appeals)
	Income Tax Act, 1961	Income Tax	143(3)	1,15,75,170	A.Y. 2012-13	CIT(Appeals)
	Income Tax Act, 1961	Income Tax	143(3)	3,83,56,680	A.Y. 2013-14	ITAT(Appeals)
	Income Tax Act, 1961	Income Tax	143(3)	2,24,09,220	A.Y. 2014-15	CIT(Appeals)
	Total :			12,90,40,785		

## 28. Micro, Small and Medium Enterprises:

The Company has not received any intimation from "Suppliers" regarding their status under Micro, Small and Medium Enterprises Development Act, 2006, and hence disclosure if any, relating to the amount unpaid as at the year-end together with interest paid/payable as required under the said act have not been given.

## 29. 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 Subsidiary at Portugal has commenced operations and the financial statements of the subsidiary have been consolidated and presented.

Further a 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.

## 30. 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).

## 31. Earnings Per Share

Particulars	2020 (₹)	2019 (₹)
Profits attributable to Equity Shareholders	88,62,091	620,66,110
Weighted Average No. Of Equity Shares outstanding during the year for computing Basic and Diluted EPS (Shares)	989,58,241	989,58,241
Basic EPS - Rs.	0.09	0.63
Diluted EPS- Rs.	0.09	0.63

## 32. Related Party Disclosures

### I. Key Management Personnel

1. Mr.P.C.Pantulu – Managing Director
2. Mr.K.S.Shiva Kumar – Director
3. Mr.P.Chandra Sekhar – Director
4. Mr.K.Koteswara Rao - Director
5. Ms.C.Kamakshi Bharathi- Director
6. Mr.V.S.Roop Kumar- Director
7. Mr.B.Srinivasa Reddy - Director
8. Mr.Suraj Bharadwaj – Director

II. Parties where control exists - Wholly Owned Subsidiary

1. Cybermate Infotek Limited Inc
2. Cybermate International Unipessol, LDA

III. Enterprises controlled by Key Management Personnel

1. Orchasp Consulting (P) Ltd
2. Orchasp Securities (P) Ltd
3. CIL Infoserve Ltd
4. Bilwa Infrastructure Ltd

IV. Relatives of Key Management Personnel

1. Mrs. P. Rajeswari – Wife of Mr.P.C.Pantulu.
2. Mrs. P. Sirisha – Daugher of Mr.P.C.Pantulu
3. Mr. P. Srikrishna – Brother of Mr.P.C.Pantulu
4. Mrs. K. Sirisha- Wife of Mr.P.Chandra Sekhar
5. Mr. P.Manjush – cousin of Mr.P.Chandra Sekhar
6. Mr. K.Bhujangarao – Father In Law of Mr.P. Chandra Sekhar

## Summary of Related Party Transactions 2019-20

INR

Particulars	2019-20		2018-19	
	Transaction Value	Closing Balance	Transaction Value	Closing Balance
<b>A. Rendering of Software Services</b>				
(a) CIL Infoserve Ltd	3.87	287.65	123.28	288.95
(b) Orchasp Securities (P) Ltd	2.36	10.11	180.86	162.09
(c) Bilwa Infrastructure Ltd	32.78	146.7	22.12	17.37
(d) Orchasp Consulting (P) Ltd	2.36	-19.22	45.05	3.57
Total	41.38	425.24	371.32	471.98
<b>B. Advances taken</b>				
<b>Key Management Personnel</b>				
(a) Mr. P.C. Pantulu	0.60	183.23	1.74	184.93
(b) Mr. P. Chandra Sekhar	21.25	2.72	9.90	1.92
Total	21.85	185.94	11.64	186.84
<b>Relatives of Key Managerial Personnel</b>				
(a) Ms. Rajeswari Pattapurathi	-	17.03	-	17.03
(b) Ms. Sirisha Kasukhela		41.27	-	41.27
(c) Mr. Manjush Pattapurathi	-	5.00	-	5.00
(d) Mr. Srikrishna Pattapurathi	-	1.77	-	1.87
(e) Mr.K.Bhujanga Rao	6.77	6.42	9.60	-
Total	6.77	71.48	9.60	65.17
<b>Enterprises Controlled by Key Management Personnel</b>				
(a) Bilwa Infrastructure Ltd	-	-	-	-
(b) Orchasp Consulting (P) Ltd	-	-	-	-
(c) Orchasp Securities (P) Ltd	-	-	-	-
(d) CIL Infoserve Ltd	-	-	-	-
Total				
<b>C. Managerial Remuneration</b>				
(a) Mr. K.S. Shiva Kumar	9.60	85.54	8.42	75.94
(b) Mr. P. Chandra Sekhar	18.50	100.94	9.50	82.44
(c) Mr. P. C. Pantulu	30.00	108.94	26.78	78.94
Total	58.10	295.41	44.71	237.31

## Aggregated Related Party Disclosures

INR in Lakhs

Nature of Transaction	Associate/ Subsidiary	Key Management Personnel	Relatives of Key Management Personnel	Enterprises controlled by relatives of Key Management Personnel	Total
Remuneration	-	58.10(50.40)	-	-	58.10(50.40)
Trade Payables	-	-	-	-	-
Trade Receivables	-	-	-	87.32(94.81)	87.32(94.81)
Advances/ Loans/ICDs Received	-	21.84(11.64)	6.76(9.60)	NIL(1.3)	28.6(180.99)
Advances/ Loans/ICDs Repaid	-	22.74(66.77)	0.45(40.95)	NIL(1.3)	23.19(412.13)
Balances outstanding as on					
31-03-2019					
Receivable	-	-	-	425.24(879.34)	425.24(879.34)
Payable	-	185.94(186.84)	71.83(65.17)	NIL(NIL)	257.77(252.55)

Previous years figures have been regrouped where ever necessary

## 33. Payments to Auditors

Particulars	2020 (₹)	2019 (₹)
As Auditor		
For Statutory Audit	2,00,000	2,00,000
For Tax Audit	50,000	50,000
Total	2,50,000	2,50,000

## 34. Foreign Currency Convertible Bonds

(a) Utilisation	
No of FCCBs Issued	105
Value of each bond USD	100,000
Total FCCB Offering USD	10,500,000
Investment in Wholly owned Subsidiary- USD	10,500,000
Balance Unutilised -USD	-
(b) No of Bonds outstanding	
No of FCCBs Issued	105
No of Bonds converted into Equity Shares	5
Balance FCCBs outstanding	100
(c) Initial Recognition of Foreign Currency Convertible Bonds (FCCB)	
Particulars	Amount
Total FCCBs issued	Rs. 68,25,00,000
Less: Converted into Equity	Rs. 3,25,00,000
Equity Component as on Balance Sheet date	Rs. 61,84,84,067
Liability Component as on Balance Sheet date	Rs. 3,65,09,996



## (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 109 as mentioned in the accounting policy on Financial Instruments.

## 35. Earnings in Foreign Currency

₹ in lakhs

Particulars	2020	2019
Export Earnings	5,146.09	5,932.72
Total	5,146.09	5,932.72

## 36. Expenditure in Foreign Currency

₹ in lakhs

Particulars	2020	2019
Operational Expenses	3,933.46	4,596.45
Consultancy & Professional Fee	84.98	10.19
Service Charges	17.00	33.28
Preliminary Expenses	—	35.15
Interest - FCCB	65.00	69.04
Recruitment & Office Costs	184.28	—
Travel	3.68	—
Total	4,288.40	4,744.11

37. Debtors, Creditors, Loans and Advances are subject to confirmation and reconciliation.

38. Previous year figures have been regrouped and rearranged wherever necessary to conform to this years' classification.

As per our report of even date

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



A. Krishna Rao  
Partner  
M.No:020085  
UDIN: 21020085AAAAJK5438

Place: Hyderabad  
Date : 13-02-2021

For and on behalf of the Board  
For Cybermate Infotek Limited



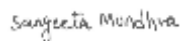
P.C Pantulu  
Managing Director  
DIN 01583136



P.Chandra Sekhar  
Director  
DIN 01647212



K.S. Shiva Kumar  
Director  
DIN 02103299



Sangeeta Mundhra  
Company Secretary  
M.No 59771



We win, when you win!

NOTES

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