



11th October 2018

USA

To
Mr. Robert A.Y
DCS-CRD
The Stock Exchange, Mumbai
Phiroze Jeejeebhoy Towers
Mumbai – 400 001.

Dear Sir

**Sub: - Annual Report Soft Copy of 2017-2018 for uploading in BSE Listing
Centre - Regarding.**
Ref: - Scrip Code: 531268

Please find herewith attached the Annual Report Soft Copy of 2017-2018 of our company.

This is for your information and records

Thanking you

Yours Faithfully

For B2B SOFTWARE TECHNOLOGIES LIMITED

V Bala Subramanyam
Executive Director
DIN: 06399503



B2B SOFTWARE
TECHNOLOGIES LTD
PEOPLE . VALUES . TECHNOLOGIES

ANNUAL REPORT 2017 - 2018



24th ANNUAL REPORT

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DIRECTORS

1. Dr. Ramachandra Rao Nemani	Director & CEO
2. Dr. Satyanarayana Y	Director
3. Dr. Murthy Mutyala	Director
4. Mr. M. Rambabu	Independent Director
5. Mr. A. Rambabu	Independent Director
6. Mr. Ch.Suresh	Independent Director
7. Ms. Rajeswari Immani	Independent Women Director
8. Mr. V.V. Nagendra	Executive Director (upto 13-08-2018)
9. Mr. V. Bala Subramanyam	Executive Director

STATUTORY AUDITORS:
UMAMAHESWARA RAO & CO.,
Chartered Accountants,
5H, Krishna Apartments,
8-3-324, Ameerpet, 'X' Road,
Hyderabad - 500 073.

INTERNAL AUDITORS:
M.V. Vijaya Kumar & Co.,
6-3-609/14/1,
Anand Nagar Colony,
Khairatabad,
Hyderabad - 500 004.

BANKERS:

ICICI Bank Ltd.
Khairatabad,
Hyderabad - 500 004

State Bank of Hyderabad,
Bellavista Branch,
Hyderabad - 500 082

KEY MANAGERIAL PERSONNEL

1. Dr. Ramachandra Rao Nemani	C.E.O.
2. Mr. V.V. Nagendra	Executive Director (upto 13-08-2018)
3. Mr. V. Bala Subramanyam	Executive Director
4. Mr. Sunil Nemani	C.F.O.

SHARE TRANSFER AGENTS AND DEMAT REGISTRARS:
CIL SECURITIES LIMITED,
214, Raghava Ratna Towers, Chirag Ali Lane,
Hyderabad - 500 001
Ph : 23202465, Fax : 23203028
E-mail : advisors@cilsecurities.com

REGISTERED OFFICE:

6-3-1112, 3rd & 4th Floor, AVR Tower, Behind Westside Showroom
Near Somajiguda Circle, Begumpet, Hyderabad - 500 016.
Website: www.b2bsofttech.com | E: investorservice@b2bsofttech.com
CIN : L72200TG1994PL018351

NOTICE

Notice is hereby given that the Twenty Fourth Annual General Meeting of the members of **B2B SOFTWARE TECHNOLOGIES LIMITED** will be held on Friday the 28th of September, 2018 at the registered office of the Company situated at 3rd & 4th Floor, AVR Towers, 6 – 3 – 1112, Behind West Side Showroom, Near Somajiguda, Begumpet, Hyderabad – 500016 at 11.00 A. M., to transact the following business:

ORDINARY BUSINESS:

Item No. 1 – Adoption of Financial Statement:

1. To receive, consider and adopt the Standalone and Consolidated Financial Statements of the Company for the year ended March 31, 2018, including the audited Balance Sheet as at March 31, 2018, the Statement of Profit and Loss for the year ended on that date along with the Cash Flow Statement and the reports of the Board of Directors ('the Board') and Auditors thereon.

Item No. 2 – Re – Appointment of Director retiring by rotation:

2. To appoint a Director in place of Mr. Yaramati Satyanarayana (DIN: 00360679) who retires by rotation at this Annual General Meeting and being eligible has offered himself for reappointment.

Item No. 3 – Ratification of Appointment of Auditors

3. To appoint Auditors and to pass the following resolution as an **Ordinary Resolution:**

RESOLVED THAT pursuant to approval of Members in the Annual General Meeting held on 30th September, 2014 for appointment of M/s Umamaheswara Rao & Co, Chartered Accountants (Firm Registration No.: 004453S), the Statutory Auditors of the Company, for a term of five consecutive years (ending on conclusion of the 25th Annual General Meeting) which was subject to ratification at every Annual General Meeting, the Board hereby recommends to the members to continue the appointment of M/s Umamaheswara Rao & Co, Chartered Accountants (Firm Registration No.: 004453S) as the Statutory Auditors of the Company for the remaining term without any further ratification by the members in terms of the provisions of the Companies Act, 2013."

SPECIAL BUSINESS:

Item No. 4 – To Re appoint Mr. ARUMILLI RAMBABU as an Independent Director:

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

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. ARUMILLI RAMBABU (DIN: 03473906), who was appointed as an Independent Director to hold office upto 31st March 2019 being eligible, and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby re-appointed to hold office for a second term of 5 consecutive years from 1st April 2019 to 31st March 2024, and whose office shall not be liable to retire by rotation.

Item No. 5 – To Re appoint Mr. Chode Suresh as an Independent Director:

5. To consider and if thought fit to pass the following resolution as Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. CHODE SURESH (DIN: 03473921), who was appointed as an Independent Director to hold office upto 31st March 2019 being eligible, and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby re-appointed to hold office for a second term of 5 consecutive years from 1st April 2019 to 31st March 2024, and whose office shall not be liable to retire by rotation.

Item No. 6 – To Re appoint Mr. Ram Babu Mutyala as an Independent Director:

6. To consider and if thought fit to pass the following resolution as Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other

applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Ram Babu Mutyala (DIN: 03473901), who was appointed as an Independent Director to hold office upto 31st March 2019 being eligible, and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby re-appointed to hold office for a second term of 5 consecutive years from 1st April 2019 to 31st March 2024, and whose office shall not be liable to retire by rotation.

Item No. 7 – Alteration of Memorandum of Association as per the provisions of the Companies Act, 2013:

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

"RESOLVED THAT pursuant to the provisions of Section 4, 13 and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), read with the Companies (incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and subject to necessary approvals, Clause III (B) of the objects that are incidental or ancillary to the attainment of the Main Objects of the Memorandum of Association be and hereby replaced with the title **"MATTERS WHICH ARE NECESSARY FOR FURTHERANCE OF THE OBJECTS SPECIFIED IN CLAUSE III (A) ARE:-"** and to delete the other objects clause of the Memorandum of Association and alter the **Clause IV i.e., Liability Clause.**

"RESOLVED FURTHER THAT in accordance with the Table A of the Schedule I of the Act, the Clause III (A) and III (B) and Clause IV of the Memorandum of Association of the company, be renamed as under:

Clause III (A) – "The Objects to be pursued by the company on its incorporation are"

Clause III (B) – "Matters which are necessary for furtherance of the objects specified in Clause III (A) are:"

Clause IV. "The Liability of the member(s) is limited, and this liability is limited to the amount unpaid if any on the shares held by them"

"RESOLVED FURTHER THAT any one of the Directors of the Company, be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing the requisite forms with Ministry of Corporate Affairs or submission of documents with any other authority, for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto."

Item No. 8 – Alteration of Articles of Association as per the provisions of the Companies Act, 2013:

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

"RESOLVED THAT pursuant to the provisions of Section 14 and any other applicable provisions of the Companies Act, 2013 ("the Act") read with the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association submitted to this Meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company.

"RESOLVED FURTHER THAT any one of the Directors of the Company, be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing the requisite forms with Ministry of Corporate Affairs or submission of documents with any other authority, for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto."

By order of the Board
For **B2B Software Technologies Limited**
V. BALA SUBRAMANYAM
Executive Director
(DIN: 06399503)

Date: 13.08.2018
Place: Hyderabad

Registered Office: 3rd & 4th Floor, AVR Towers, 6 – 3 – 1112,
Behind West Side Showroom, Near Somajiguda,
Begumpet, Hyderabad – 500016
Phone: 040 – 23372522, 23375926
Fax: 040 – 233223285
Email id: investorservice@b2bsofttech.com
Website: www.b2bsofttech.com
CIN: L72200TG1994PLC018351

NOTES:

- 1 **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIM/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER. THE INSTRUMENT APPOINTING THE PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.

2. Pursuant to Regulation 42 of the SEBI (Listing obligations and Disclosure Requirements) Regulations 2015 read with Section 91 of the Companies Act, 2013 the Register of Members and Register of Share Transfer Books of the Company will remain closed from 21st September 2018 to 28th September 2018 (both days inclusive).
3. Members holding shares in physical form are requested to intimate the change, if any, in their Registered Address to the Company quoting their Registered Folio.
If the shares are held in Demat form, intimation regarding the change of address, if any, has to be notified to the concerned Depository Participant where the Shareholder is maintaining the Demat Account.
4. Statement as required under the provisions of Section 102 (1) of the Companies Act, 2013 is enclosed to this notice.
5. Members / Proxies should bring the Attendance slips duly filled in for identification for attending the meeting.
6. Members desiring any information on the Accounts are requested to write to the Company at least one week before the Meeting so as to enable the Management to keep the information ready. Replies will be provided only at the Meeting.
7. In accordance with Section 101 of the Companies Act, 2013 and Companies (Management and Administration) Rules, 2014, the Annual Report (Audited Financial Statements, Directors Report, Auditors Report etc.) is being sent to the shareholders in electronic form to the email address registered with their Depository Participant (in case of electronic shareholding) the Company's Registrar and Share Transfer Agents (in case of physical shareholding).
We, therefore request and encourage you to register your email ID in the records of your Depository Participant (in case of electronic holding) the Company's Registrar and Share Transfer Agents (in case of physical shareholding) mentioning your folio no./demat account details.
However, in case you wish to receive the above shareholder communication in paper form, you may write to the Company's Registrar and Share Transfer Agents, CIL Securities Limited, Unit: B2B Software Technologies Limited, or send an email at mentioning your folio no. / demat account details.
The soft copy of the Annual Report 2017 – 2018 can also be downloaded from the company's website i.e., www.b2bsofttech.com.
8. Requests for transfer of physical shares received during the period of book closure shall be considered only after the reopening of Books.
9. Shareholders may avail the nomination facility under Section 72 of the Companies Act, 2013. The relevant nomination form is appended to this notice
10. SEBI has made it mandatory for every participant in the securities / capital market to furnish the details of Income Tax Permanent Account Number (PAN). Accordingly, all the shareholders holding shares in physical form are requested to submit their details off PAN along with a Photocopy of both sides of the PAN card, duly attested, to the Registrar and Share Transfer Agents of the Company.
11. E-Voting:
To be included as per CDSL checklist.
The Company is pleased to provide E-voting facility through Central Depository Services (India) Limited (CDSL) for all shareholders to enable them to cast their votes electronically on the items mentioned in this notice of the 24th Annual General Meeting of the Company. The Company has appointed Mr. D. S. M. Ram, Proprietor of

DSMR & Associates (C. P. No. 4239) Company secretary in practice as the Scrutinizer for conducting the e-voting process in a fair and transparent manner. E-voting is optional. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the Cut off date is 21st September, 2018. The Company is providing Ballot facility at the venue of the AGM for the Shareholders who have not cost their vote electronically.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on Tuesday the 25th of September, 2018 at 9.00 am and ends on Thursday the 27th of September, 2018 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 21st September, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:nd the Listing Regulations.

	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"> ● Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. ● In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details of OR Date 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"> ● 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 (iv).

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

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvii) 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.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

In case of members receiving the physical copy:

Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.

STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

Item No. 4

Mr. ARUMILLI RAMBABU (DIN: 03473906) Director was appointed as an Independent Director on the Board of the company pursuant to the provisions of Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the erstwhile Clause 49 of the Listing Agreement with the stock exchanges.

Mr. ARUMILLI RAMBABU (DIN: 03473906) Director was appointed as an Independent Director to hold office for the period from 01.04.2014 to 31.03.2019 and whose office shall not be liable to retire by rotation.

The Board of Directors on the basis of performance evaluation of Mr. ARUMILLI RAMBABU (DIN: 03473906) Independent Director, considers that, given his background and experience and contributions made by him during his tenure, the continued association of Mr. ARUMILLI RAMBABU (DIN: 03473906) would be beneficial to the company and it is desirable to continue to avail his service as Independent Director.

Accordingly, it is proposed to re-appoint Mr. ARUMILLI RAMBABU (DIN: 03473906) as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company.

Section 149 of the Act and provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") inter alia prescribe that an independent director of a company shall meet the criteria of independence as provided in Section 149(6) of the Act.

Section 149(10) of the Act provides that an independent director shall hold office for a term of up to five consecutive years on the Board and shall be eligible for re-appointment on passing a special resolution by the company and disclosure of such appointment in its Board's report. Section 149(11) provides that an independent director may hold office for up to two consecutive terms.

Mr. ARUMILLI RAMBABU (DIN: 03473906) is not disqualified from being appointed as Director in terms of Section 164 of the Act and have given his consent to act as Director.

The company has received notice in writing from a member proposing the candidature of Mr. ARUMILLI RAMBABU (DIN: 03473906) for the office of the Independent Director of the Company.

The Company has also received declaration from Mr. ARUMILLI RAMBABU (DIN: 03473906) that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under the Listing Regulations.

In the opinion of the Board Mr. ARUMILLI RAMBABU (DIN: 03473906) fulfil the conditions for appointment as Independent Director as specified in the Act and the Listing Regulations.

Copy of draft letter of appointment of Mr. ARUMILLI RAMBABU (DIN: 03473906) setting out the terms and conditions of appointment are available for inspection by the members at the registered office of the Company.

The Board commends the Special Resolution set out as Item No. 4 of the Notice for approval by the members.

No Director, key managerial personnel or their relatives, except Mr. Arumilli Rambabu to whom the resolution relates is interested or concerned in the resolution.

Item No. 5

Mr. CHODE SURESH (DIN: 03473921) Director was appointed as an Independent Director on the Board of the company pursuant to the provisions of Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the erstwhile Clause 49 of the Listing Agreement with the stock exchanges.

Mr. CHODE SURESH (DIN: 03473921) Director was appointed as an Independent Director to hold office for the period from 01.04.2014 to 31.03.2019 and whose office shall not be liable to retire by rotation.

The Board of Directors on the basis of performance evaluation of Mr. CHODE SURESH (DIN: 03473921) Independent Director, considers that, given his background and experience and contributions made by him during his tenure, the continued association of Mr. CHODE SURESH (DIN: 03473921) would be beneficial to the company and it is desirable to continue to avail his service as Independent Director.

Accordingly, it is proposed to re-appoint Mr. CHODE SURESH (DIN: 03473921) as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company.

Section 149 of the Act and provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") inter alia prescribe that an Independent Director of a company shall meet the criteria of independence as provided in Section 149(6) of the Act.

Section 149(10) of the Act provides that an independent director shall hold office for a term of up to five consecutive years on the Board and shall be eligible for re-appointment on passing a special resolution by the company and disclosure of such appointment in its Board's report. Section 149(11) provides that an independent director may hold office for up to two consecutive terms.

Mr. CHODE SURESH (DIN: 03473921) is not disqualified from being appointed as Director in terms of Section 164 of the Act and have given his consent to act as Director.

The company has received notice in writing from a member proposing the candidature of Mr. CHODE SURESH (DIN: 03473921) for the office of the Independent Director of the Company.

The Company has also received declaration from Mr. CHODE SURESH (DIN: 03473921) that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under the Listing Regulations.

In the opinion of the Board Mr. CHODE SURESH (DIN: 03473921) fulfil the conditions for appointment as Independent Director as specified in the Act and the Listing Regulations.

Copy of draft letter of appointment of Mr. CHODE SURESH (DIN: 03473921) setting out the terms and conditions of appointment are available for inspection by the members at the registered office of the Company.

The Board commends the Special Resolution set out as Item No. 5 of the Notice for approval by the members.

No Director, key managerial personnel or their relatives, except Mr. Chode Suresh (DIN: 03473921) to whom the resolution relates is interested or concerned in the resolution.

Item No. 6

Mr. Ram Babu Mutyala (DIN: 03473901) Director was appointed as an Independent Director on the Board of the company pursuant to the provisions of Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the erstwhile Clause 49 of the Listing Agreement with the stock exchanges.

Mr. Ram Babu Mutyala (DIN: 03473901) Director was appointed as an Independent Director to hold office for the period from 01.04.2014 to 31.03.2019 and whose office shall not be liable to retire by rotation.

The Board of Directors on the basis of performance evaluation of Mr. Ram Babu Mutyala (DIN: 03473901) Independent Director, considers that, given his background and experience and contributions made by him during his tenure, the continued association of Mr. Ram Babu Mutyala (DIN: 03473901) would be beneficial to the company and it is desirable to continue to avail his service as Independent Director.

Accordingly, it is proposed to re-appoint Mr. Ram Babu Mutyala (DIN: 03473901) as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company.

Section 149 of the Act and provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") inter alia prescribe that an independent director of a company shall meet the criteria of independence as provided in Section 149(6) of the Act.

Section 149(10) of the Act provides that an independent director shall hold office for a term of up to five consecutive years on the Board and shall be eligible for re-appointment on passing a special resolution by the company and disclosure of such appointment in its Board's report. Section 149(11) provides that an independent director may hold office for up to two consecutive terms.

Mr. Ram Babu Mutyala (DIN: 03473901) is not disqualified from being appointed as Director in terms of Section 164 of the Act and have given his consent to act as Director.

The company has received notice in writing from a member proposing the candidature of Mr. Ram Babu Mutyala (DIN: 03473901) for the office of the Independent Director of the Company.

The Company has also received declaration from Mr. Ram Babu Mutyala (DIN: 03473901) that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under the Listing Regulations.

In the opinion of the Board Mr. Ram Babu Mutyala (DIN: 03473901) fulfil the conditions for appointment as Independent Director as specified in the Act and the Listing Regulations.

Copy of draft letter of appointment of Mr. Ram Babu Mutyala (DIN: 03473901) setting out the terms and conditions of appointment are available for inspection by the members at the registered office of the Company.

The Board commends the Special Resolution set out as Item No. 6 of the Notice for approval by the members.

No Director, key managerial personnel or their relatives, except Mr. Ram Babu Mutyala (DIN: 03473901) to whom the

resolution relates is interested or concerned in the resolution.

Item No. 7:

Pursuant to Section 13 of the Companies Act, 2013 approval of members is required by way of Special resolution for adoption of Memorandum of Association.

The Companies Act 2013 has prescribed a new format of Memorandum of Association (“MOA”) for all companies limited by shares. Accordingly, with a view to align the existing MOA of the company with Table A of the Schedule I of the Act and in accordance with Section 4 and 13 of the Act, it is proposed to alter the MOA of the Company, Clause III (B) of the objects that are incidental or ancillary to the attainment of the Main Objects of the Memorandum of Association be and hereby replaced with title **“MATTERS WHICH ARE NECESSARY FOR FURTHERANCE OF THE OBJECTS SPECIFIED IN CLAUSE III (A) ARE:-”** and to delete the other objects clause of the Memorandum of Association and alter the Clause IV i.e., Liability Clause.

A copy of the altered Memorandum of Association proposed to be adopted is available for inspection at the registered office of the company during business hours and on all working days.

Your Directors recommend the resolution for approval.

None of the Directors their relatives or key managerial personnel is interested in the aforesaid resolution except to the extent of their shareholding.

Item No. 8:

Pursuant to Section 14 of the Companies Act, 2013 approval of members is required by way of Special resolution for adoption of Articles of Association.

A copy of the altered Articles of Association proposed to be adopted is available for inspection at the registered office of the company during business hours and on all working days.

Your Directors recommend the resolution for approval.

None of the Directors their relatives or key managerial personnel is interested in the aforesaid resolution except to the extent of their shareholding.

Information pursuant to the SEBI (Listing Regulations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards (SS-2) in respect to Appointment/ Re-appointment of Directors:

Name of the Director	ARUMILLI RAMBABU	CHODE SURESH	RAM BABU MUTYALA	YARAMATI SATYANARAYANA
Category	Independent Director	Independent Director	Independent Director	Director
DIN	03473906	03473921	03473901	00360679
Date of Birth and Age	10-06-1966 (52 years)	05-02-1984 (34 years)	04-02-1974 (44 years)	13-01-1957 (61 years)
Qualification	Graduate	Post Graduate	Post Graduate	M. D. in Dermatology
Nature of Expertise / Experience	He is well reputed in the market of sale and distribution agencies	He is talented in his academic. He also has knowledge of latest techlogies and analysing the market in FMCG and Goods sector	He is having good marketing skills and also he is having good relations with small and medium industries	He has vast experience in the field of medicine and has been successfull in the practice of dermatology
First Appointment on Board	14/02/2011	14/02/2011	14/02/2011	31/01/2000

Terms and Conditions of Appointment/Re-appointment	Proposed to be re-appointed as an Independent Director for a further period of five years with effect from 1st April, 2019	Proposed to be re-appointed as an Independent Director for a further period of five years with effect from 1st April, 2019	Proposed to be re-appointed as an Independent Director for a further period of five years with effect from 1st April, 2019	Proposed to be re-appointed as Director of the Company liable to retire by rotation
Remuneration last drawn (including sitting fees, if any)	50,000	40,000	50,000	10,000
Remuneration proposed to be paid	Not applicable	Not applicable	Not applicable	Not applicable
Shareholding in the Company as on March 31, 2018	Not applicable	Not applicable	Not applicable	Not applicable
Relationship with other Directors/Key Managerial Personnel	Not related to any other Director or Key Managerial Personnel	Not related to any other Director or Key Managerial Personnel	Not related to any other Director or Key Managerial Personnel	Not related to any other Director or Key Managerial Personnel
Number of meetings of the Board attended during the year	5 (Five)	4 (Four)	5 (Five)	1 (One)
Directorships of other Boards as on March 31, 2018	Nil	Nil	Nil	Nil
Membership / Chairmanship of Committees of other Boards as on March 31, 2018	Nil	Nil	Nil	Nil

By order of the Board
For B2B Software Technologies Limited

Date: 13.08.2018
Place: Hyderabad

V. BALA SUBRAMANYAM
Executive Director
(DIN: 06399503)

Registered Office: 3rd & 4th Floor, AVR Towers, 6-3-1112,
Behind West Side Showroom, Near Somajiguda,
Begumpet, Hyderabad-500016
Phone: 040-23372522, 23375926
Fax: 040-233223285
Email id: investorservice@b2bsoftech.com
Website: www.b2bsoftech.com
CIN: L72200TG1994PLC018351

DIRECTORS' REPORT

To,
The Members,
B2B Software Technologies Limited

Your Directors hereby present the Twenty Fourth Annual Report of your Company together with the Audited Accounts including Consolidated Accounts for the financial year ended March 31, 2018 and the report of the Auditors thereon.

1. FINANCIAL RESULTS:

(In Rupees)

	Standalone		Consolidated	
PARTICULARS:	2017-18	2016-2017	2017-2018	2016-2017
Revenue from operations	77,098,952	66,548,881	109,022,510	101,234,964
Other Income	4,389,220	4,066,009	4,389,220	4,066,009
TOTAL INCOME	81,488,172	70,614,890	113,411,730	105,300,973
Total Expenditure	71,644,657	57,037,455	103,501,614	91,779,811
Profit/(Loss) before exceptional Items	9,843,515	13,577,434	9,910,116	13,521,162
Exceptional Items	-	-	-	-
Profit/(Loss) before extraordinary Items	9,843,515	13,577,434	9,910,116	13,521,162
Extraordinary Items		-		-
Profit/ (Loss) Before Tax	9,843,515	13,577,434	9,910,116	13,521,162
Less: Provision for Tax	3,652,736	-	3,652,736	-
Fringe Benefit Tax		-		-
Deferred Tax		-		-
Profit/Loss after tax for the year	8,562,973	11,792,434	8,629,574	11,736,162
Basic and Diluted EPS	0.74	1.02	0.74	1.01

2. Industry Structure and development

Microsoft Dynamics is a growing business and global organizations identify Microsoft Dynamics as the preferred vendor for their next ERP investment. Microsoft Dynamics customer relationship management (CRM) and enterprise resource planning (ERP) software connects people, processes, and systems. With easy to use, fast to implement tools to manage financials, supply chain, and operations. Microsoft Dynamics is sold by a global network of solution specialists, known as partners or resellers.

3. State of Company affairs

B2B is one of the Microsoft Partner specialized in providing Implementation services for Microsoft Dynamics ERP in Microsoft Dynamics World. Our diverse clientele includes mid-sized companies and larger enterprises.

As a Microsoft partner – B2B advances and adds value to Microsoft's leading business solutions and client relationships by ensuring that companies get the highest level of attention, expertise and results from Microsoft technology.

B2B has developed several Add-on's namely Quality, HR & Payroll, Plant Maintenance and Life sciences Vertical for Microsoft Dynamics on NAV and AX.

• Indian Accounting Standards (Ind AS)

The Company has adopted Indian Accounting Standards (Ind AS) with effect from 1st April, 2017 pursuant to Ministry of Corporate Affairs notification of the Companies (Indian Accounting Standards) Rules, 2015

4. LISTING OF EQUITY SHARES:

The Company's Equity shares are presently listed on BSE Limited and the Company has paid the Annual Listing Fees to the said Stock Exchanges for the financial year 2017 – 2018.

5. TRANSFER TO RESERVES:

Your Company has accumulated losses amounting to Rs.40,417,426/- brought forward from the previous years. The

profit of Rs.8,562,973/- earned during the year has been adjusted against the losses and the accumulated losses are reduced to Rs. 31,854,453/-. Hence your company does not propose to transfer any amount to the Reserves.

6. CHANGE IN NATURE OF BUSINESS AND SHARE CAPITAL IF ANY:

During the Financial Year 2017 – 18, The Authorised Share Capital and Paid Up Capital as at 31st March, 2018 stood at Rs. 12,00,00,000 and Rs. 11,58,54,000 respectively. During the year under review, the Company has not issued Securities nor granted any Stock Options or Sweat equity

During the year under review, there has been no change in the nature of business of the Company.

7. MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF REPORT:

Mr. V. V. Nagendra (DIN: 00231729) has resigned as Director of the Company on the closing of business hours of 13th August, 2018, due to his pre occupations. The Directors place on record his appreciation of the valuable advise and guidance given by him during his tenure as the Director of the Company.

There are no material changes and commitments in the business operations of the Company from the financial year ended 31st March 2018 to the date of signing of the Directors Report.

8. PERFORMANCE AND FINANCIAL POSITION OF THE SUBSIDIARY COMPANY:

During the year, the Board of Directors ('the Board') reviewed the affairs of the subsidiary. In accordance with Section 129(3) of the Companies Act, 2013, we have prepared consolidated financial statements of the Company and its subsidiary, which form part of the Annual Report. Further, a statement containing the salient features of the financial statement of the subsidiary in the prescribed format AOC – 1 is appended as Annexure 1 to the Board's report. The statement also provides the details of performance, financial positions of each of the subsidiaries. Policy for determining material subsidiary as required under SEBI (Listing obligations and Disclosure Requirements) Regulations 2015 is available on the company's website www.b2bsoftech.com.

In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements and related information of the Company and audited accounts of the subsidiary, are available on our website www.b2bsoftech.com. These documents will also be available for inspection during business hours at our registered office.

9. CORPORATE GOVERNANCE:

The Corporate Governance Report and a certificate by the Statutory Auditors regarding compliance of the conditions of corporate governance by your Company as stipulated in Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are annexed to this Report.

10. MANAGEMENT DISCUSSION AND ANALYSIS:

The Management Discussion and Analysis forms an integral part of this Report and gives details of the overall industry structure, developments, performance and state of affairs of the company and other material developments during the financial year.

11. STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS:

All the Independent Directors have given declarations of Independence, as required pursuant to Section 149 (7) of the Companies Act, 2013 stating that they meet the criteria of Independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

12. MEETING OF INDEPENDENT DIRECTORS:

The performance of the Individual Directors on the Board and the Committees thereof is done by the Board and the Independent Directors in their exclusive meeting done as per the policy formulated by the Board in this regard.

13. VIGIL MECHANISM:

In terms of the provisions of Section 177 of the Companies Act, 2013 your Company has formulated a Whistle Blower Policy as a Vigil Mechanism. This mechanism aims for conducting the affairs in a fair and transparent manner by

adopting highest standards of professionalism, honesty, integrity and ethical behavior. All permanent employees of the Company are covered under the policy.

This mechanism is for the employees to report concerns about unethical behaviour, actual or suspected fraud or violation of Code of Conduct and Ethics. It also provides for adequate safeguards against victimization of employees who avail of the mechanism and allows direct access to the Chairman of the Audit Committee in exceptional cases.

14. BOARD EVALUATION:

Pursuant to the provisions of the Companies Act, 2013 and Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 the performance evaluation of the Board and Individual Directors is done on annual basis.

The evaluation is done by the Board, Nomination and Remuneration Committee and Independent Directors with specific focus on the performance and effective functioning of the Board and Individual Directors.

15. CHANGES IN DIRECTORS:

INDUCTIONS:

The Company has not made any appointment of Directors during the year under review.

RE –APPOINTMENTS:

As per the provisions of the Companies Act 2013, Mr. Yaramati Satyanarayana (DIN: 00360679) retire at the ensuing Annual General Meeting and being eligible, seek their re-appointment. The Board recommends their re-appointment.

None of the independent directors will retire at the ensuing Annual General Meeting.

RESIGNATIONS:

None of the Directors have resigned during the year under review.

CHANGES IN KEY MANAGERIAL PERSONNEL

Mr. V. V. Bala Subramanyam and Mr. V. V. Nagendra were re appointed as Executive Directors of the Company for a further period of three years with effect from 1st October, 2017 after obtaining the approval of members in the AGM held on 25th of September, 2017.

There have been no changes in KMP (Key Managerial Personnel) during financial year 2017-18. The following are the KMP as on date:

- | | | |
|-------------------------------|---|-------------------------|
| a. Dr. Ramachandra Rao Nemani | – | Chief Executive Officer |
| b. Mr. Sunil Nemani | – | Chief Financial Officer |
| c. Mr. V. Bala Subramanyam | – | Executive Director |
| d. Mr. V. V. Nagendra | – | Executive Director |

16. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:

During the year under review 5 (Five) Board meetings were held on the following dates:

- 20.05.2017
- 14.08.2017
- 10.11.2017
- 02.02.2018
- 12.03.2018

Attendance of Directors at the Board Meetings and Annual General Meeting has been furnished in the Corporate Governance Report, which forms part of the Directors Report. The intervening gap between any two Board Meetings was within the period prescribed under the provisions of the Companies Act, 2013. All the recommendations given by the Audit Committee are accepted by the Board.

17. COMMITTEES OF THE BOARD

a. Audit Committee:

The Audit Committee constitutes of Mr. M. Rambabu, Mr. A. Rambabu, Mr. Ch. Suresh, Ms. RajeswarilImmani, Dr. Murthy Mutyala and Dr. Ramachandra Rao Nemani. The Board of Directors have accepted all the recommendations given by the Audit Committee. Mr. M. Rambabu is the Chairman of the Audit Committee. The terms and reference of Audit Committee and details of meetings held during the financial year 2017-18 and the attendance of members are given in the Corporate Governance Report, which forms part of the Directors Report.

b. Nomination and Remuneration Committee:

The Nomination and Remuneration Committee consists of Mr. A. Rambabu, Mr. M. Rambabu, MsRajeswarilImmani, Mr. Ch. Suresh and Dr. Murthy Mutyala. Mr. A. Rambabu is the Chairman of the Nomination and Remuneration Committee. The terms of reference and the Nomination and Remuneration policy and details of meetings held during the financial year 2017-18 and the attendance of members are provided in the Corporate Governance Report, which forms part of the Directors Report.

c. Stakeholders Relationship Committee:

The Stakeholders Relationship Committee consists of Mr. Ch. Suresh. Mr.M. Rambabu and Mr. V.V. Nagendra. Mr. Ch. Suresh is the chairman of the Committee. The terms of reference and the details of meetings held during the financial year 2017-18 and the attendance of the members are provided in the Corporate Governance Report, which forms part of the Directors Report.

18. INTERNAL FINANCIAL CONTROL:

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the 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 disclosures.

19. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement of Section 134(5) of the Act, and based on the representations received from the management, the directors hereby confirm that:

- i. in the preparation of the annual accounts for the financial year 2017 – 18, the applicable accounting standards have been followed and there are no material departures;
- ii. selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the financial year;
- iii. and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Act. They confirm that there are adequate systems and controls for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. prepared the annual accounts on a going concern basis;
- v. laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating properly; and
- vi. devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively

20. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:

During the financial year 2017-18 your company had not given any loans or provided any guarantees or made any investments as specified under the provisions of Section 186 of the Companies Act, 2013 read with rules made there under.

21. TRANSACTIONS WITH RELATED PARTIES:

There were no related party transactions during the year except that entered in the ordinary course of business and on

arm's length basis. There were no materially significant related party transactions between your Company and the Directors, promoters, Key Managerial Personnel and other designated persons which may have a potential conflict with the interest of company at large. Policy on the related parties as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is available on the company's website: www.b2bsofttech.com.

All the material contracts with related parties have been approved by the Audit Committee and the Members of the Company. Form AOC-2 for disclosure of particulars of contracts/arrangements, entered into by your company with related parties is attached herewith as Annexure -II.

22. RISK AND RISK MITIGATIONS

Microsoft Dynamics being a growing business, new entrants into the market and competition will continue to exert pricing pressure undermining industry profitability. Strategic positioning and generating higher level of economic value by continuing to build IP and offer value added services around verticals and add-on's is mandatory.

Scale of operations is limited to the existing level unless a fresh funding route is identified. The Board of Directors of your company have not identified any risks which will affect the going concern nature of the company.

23. TECHNOLOGY ABSORPTION, ENERGY CONSERVATION & FOREIGN EXCHANGE EARNINGS AND OUTGO:

Information in accordance with clause (m) of sub section (3) of Section 134 of the Companies Act, 2013 is annexed herewith as Annexure – III to this report.

24. PARTICULARS OF EMPLOYEES:

The information required pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies Act (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company are provided in Annexure – IV and forms part of this report.

The statement containing particulars of employees as required under Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in Annexure IV and forms part of this report.

The Nomination and remuneration committee of the Company has affirmed that the remuneration is as per the Remuneration policy of the Company.

Your Directors take this opportunity to record their deep appreciation of the continuous support and contribution from all employees of the Company.

25. CORPORATE SOCIAL RESPONSIBILITY:

Your Company does not fall under any of the criteria specified under the provisions of Companies Act, 2013. Hence the Company has not constituted any committee and is required to furnish any information in this report as required under the provisions of the said Act.

26. EXTRACT OF ANNUAL RETURN:

As required under Sub-Section (3) of Section 92 of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014 an extract of Annual Return in Form MGT – 9 forms part of this report as Annexure – V.

27. PREVENTION OF INSIDER TRADING:

Your Company has adopted the Code of Fair Disclosure and Code of Conduct for regulating the dissemination of Unpublished Price Sensitive Information and trading in securities by Insiders.

28. DEPOSITS:

During the year under review your Company has not accepted any fixed deposits and, as such, no amount of principal or interest was outstanding as of the Balance Sheet date.

29. AUDITORS:

a. Statutory Auditors:

At the Annual General Meeting held on September 30, 2014 M/s. Umamaheswara Rao & Co., Chartered Accountants, were appointed as the Statutory Auditors of the Company to hold office till the conclusion of the Annual General Meeting to be held in the calendar year 2019. In terms of the first proviso to Section 139 of the Companies Act, 2013, the appointment of the auditors shall be placed for ratification at every Annual General Meeting. Accordingly, the appointment of M/s. Umamaheswara Rao & Co., Chartered Accountants, as the

statutory auditors of the Company is placed for ratification by the shareholders. In this regard, the Company has received a certificate from the auditors to the effect that if they are reappointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

There are no specifications, reservations, adverse remarks on disclosures by the Statutory Auditors in their report. They have not reported any incident of fraud to the Audit Committee of the Company during the year under review.

b. Secretarial Auditor:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Company has appointed Mrs. K. Jhansi Laxmi, Company Secretary in Whole time Practice to undertake the Secretarial Audit of the Company for the financial year 2017 – 2018. The Secretarial Audit report is annexed herewith as Annexure – VI.

c. Internal Auditors:

The Board of Directors, on the recommendation of Audit Committee, of the company have appointed M/s. M. Vijay kumar & Co., Chartered Accountants, as internal Auditors to conduct Internal Audit of the Company for the Financial Year ended 31st March, 2018.

REPLY TO OBSERVATION RAISED BY THE SECRETARIAL AUDITOR:

1. Owing to the financial position of the Company, we are not able to find a Whole Time Company Secretary who is suitable for our size of Company. The Company is still in process of search of a Whole Time Company Secretary.
2. The Company is in the process of complying with the requirement of achieving 100% holding of the promoters in demat forms as required under the SEBI (Listing obligations and Disclosure Requirements) Regulations 2015.

30. DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed there under.

Your company has also complied with provisions relating to the constitution of internal complaints committee under the sexual harassment of women at workplace (prevention, prohibition and redressal) act, 2013

During the financial year 2017-18, the Company has not received any complaints on sexual harassment.

31. SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS:

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

32. MAINTAINANCE OF COST RECORDS:

The provisions of Section 148 of the Companies Act, 2013 are not applicable for the Year since the Company is not falling under the category of class of Companies as prescribed under Sub-Section (1) of Section 148 of the Companies Act, 2013 and Rules framed thereunder.

33. COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND GENERAL MEETING

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and General Meetings.

34. ACKNOWLEDGEMENTS:

Your Directors place on record their appreciation for the assistance and co-operation extended by the Bankers, STPI, Customs and Central Excise and various State and Central Government Agencies. Your Directors also thank all the Customers, Members and Employees for their valuable support and confidence in the Company.

Place : Hyderabad
Date : 13-08-2018

For and on behalf of the Board

V. BALA SUBRAMANYAM
Executive Director
DIN: 06399503

V. V. NAGENDRA
Executive Director
DIN: 0231729

Annexure – I to the Directors Report

[Pursuant to first proviso to sub-section (3) of Section 129 read with Rule – 5 of Companies (Accounts) Rules, 2014]
Statement containing salient features of the financial statement of subsidiaries / associate companies / joint ventures

Part “A” Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Sl. No.	Particulars	Details
1.	Name of the Subsidiary	B2B Softech Inc., USA
2.	The date since which subsidiary has been acquired	17 th July 2001
3.	Reporting period for the subsidiary concerned if different from the holding company's reporting period	N.A.
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	USD 65.0441
5.	Share Capital	3,381,120
6.	Reserve & Surplus	-
7.	Total Assets	4,786,986
8.	Total Liabilities	4,786,986
9.	Investments	-
10.	Turnover	31,923,558
11.	Profit before taxation	66,601
12.	Provision for taxation	66,601
13.	Profit after taxation	-
14.	Proposed dividend	-
15.	% of Shareholding	100

Notes: The following information shall be furnished at the end of the statement

- Names of the subsidiaries, which are yet to commence operations: NIL
- Names of the subsidiaries which have been liquidated or sold during the year: NIL

PART “B”: Associates and Joint Ventures**Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures:**

The Company does not have any associate companies and Joint Ventures. Hence the information required under this head is not being furnished.

V.Bala Subramanyam
Executive Director
DIN: 06399503

V V Nagendra
Executive Director
DIN: 00231729

Place: Hyderabad
Date: 28-05-2018

Sunil Nemani
Chief Financial Officer

Dr. Ramachandra Rao Nemani
CEO & Director
DIN: 01131212

Annexure – II to the Directors Report**Form No. AOC-2**

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

Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis: **Nil**
 - a) Name(s) of the related party and nature of relationship
 - b) Nature of contracts/arrangements/transactions
 - c) Duration of the contracts/arrangements/transactions
 - d) Salient terms of the contracts or arrangements or transactions including the value, if any
 - e) Justification for entering into such contracts or arrangements or transactions
 - f) Date(s) of approval by the Board
 - g) Amount paid as advances, if any
 - h) Date on which the special resolution was passed in general meeting as required under first proviso to Section 188
2. Details of material contracts or arrangement or transactions at arm's length basis:

Name(s) of the related party and nature of relationship	Genius Doc	Mr. Sunil Nemani	Dr. Ramachandra Rao Nemani
Nature of contracts / arrangements / transactions	Product Development and resource allocation	Appointment as Chief Financial Officer	Appointment as Chief Executive Officer
Duration of the contracts / arrangements / transactions	01 st Jan 2016 to 31 st Dec 2020	Not Applicable	Not Applicable
Salient terms of the contracts or arrangements or transactions including the value, if any	Subject to cancellation by the company with three months notice. Renewal term automatic renewal for second five year term with the same terms and conditions. Payment for resources at direct resource cost plus 50% markup.	Reimbursement of travel and local living expenses, Provision of Car, Driver and Boarding while onsite for the business of the company. They have waived to receive remuneration	Reimbursement of travel and local living expenses, Provision of Car, Driver and Boarding while onsite for the business of the company. They have waived to receive remuneration
Date(s) of approval by the Board, if any	14.08.2015	23.08.2014	23.08.2014
Amount paid as advances, if any	Nil	Nil	Nil

For and on behalf of the Board

Place : Hyderabad
Date : 13-08-2018

V. BALA SUBRAMANYAM
Executive Director
DIN: 06399503

V. V. NAGENDRA
Executive Director
DIN: 0231729

Annexure – III to the Directors Report

Information under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 and forming part of the Directors Report

A. CONSERVATION OF ENERGY:

- a. the steps taken or impact on conservation of energy NIL
- b. the steps taken by the company for utilizing alternate sources of energy NIL
- c. capital investment on energy conservation equipments NIL

B. RESEARCH AND DEVELOPMENT:

- 1. Specific areas in which research & development is carried out: NIL
- 2. Benefits derived: NIL
- 3. Future plan of Action: NIL
- 4. Expenditure on R & D: NIL

C. TECHNOLOGY ABSORPTION:

- a. Efforts in brief made towards Technology absorption, adoption and innovation : NIL
- b. Benefits derived as result of the above efforts e.g., product improvement, cost reduction, production development, import substitution etc. : NIL

D. In case of imported technology, imported during the last 5 years reckoned from the beginning of the financial year, following information may be furnished:

- a. Technology Imported: NIL
- b. Year of Import: NIL
- c. Has technology fully absorbed areas where this has not been taken place, reasons thereof and plan of action: NIL

E. FOREIGN EXCHANGE EARNINGS AND OUTGO:**a. Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services, and export plans:**

- i. Reaching Microsoft Partners for Add-on sales by enrolling them as resellers.
- ii. Reaching Microsoft Partners for Resource placement requirements onsite and off shore development works
- iii. Signing up exclusive agreement with partners for specific countries for Add-on sales.

b. Total Foreign Exchange used and earned:

Sl. No.	Particulars of the transaction	2017 – 2018 (in Rs.)	2016 – 2017 (in Rs.)
1.	Total Foreign Exchange earnings	35,312,611	37,764,066
2.	Foreign Exchange outgo	-	-
	a. on account of import	-	-
	b. on account of import of Equipment	-	-
	c. on account of Travel	-	-
	d. on account of payment of dividend	-	-
	Total Foreign Exchange outgo	-	-

For and on behalf of the Board

Place : Hyderabad
Date : 13-08-2018

V. BALA SUBRAMANYAM
Executive Director
DIN: 06399503

V. V. NAGENDRA
Executive Director
DIN: 0231729

Annexure – IV to the Directors Report

Particulars of employees pursuant to Section 134 (3) (q) and Section 197 (12) of the Companies Act, 2013 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forming part of the Directors' Report for the year ended March 31, 2018

Sl. No.	Requirements of Rule 5 (1)	Details																										
1.	Ratio of remuneration of each director to the median remuneration of the employees of the Company for the financial year 2017 - 18	<table><tr><td>Mr. V. V. Nagendra</td><td>8.14:1</td></tr><tr><td>Mr. V Bala Subramanyam</td><td>8.27:1</td></tr><tr><td>(Annualised)</td><td></td></tr><tr><td>Dr Ramachandra Rao Nemani</td><td>NA</td></tr><tr><td>Dr. Y Satyanarayana</td><td>NA</td></tr><tr><td>Dr. Murthy Muthayala</td><td>NA</td></tr><tr><td>Mr. M. Rambabu</td><td>NA</td></tr><tr><td>Mr. A. Rambabu</td><td>NA</td></tr><tr><td>Mr. CH Suresh</td><td>NA</td></tr><tr><td>Ms. Rajeswari Immani</td><td>NA</td></tr></table>	Mr. V. V. Nagendra	8.14:1	Mr. V Bala Subramanyam	8.27:1	(Annualised)		Dr Ramachandra Rao Nemani	NA	Dr. Y Satyanarayana	NA	Dr. Murthy Muthayala	NA	Mr. M. Rambabu	NA	Mr. A. Rambabu	NA	Mr. CH Suresh	NA	Ms. Rajeswari Immani	NA						
Mr. V. V. Nagendra	8.14:1																											
Mr. V Bala Subramanyam	8.27:1																											
(Annualised)																												
Dr Ramachandra Rao Nemani	NA																											
Dr. Y Satyanarayana	NA																											
Dr. Murthy Muthayala	NA																											
Mr. M. Rambabu	NA																											
Mr. A. Rambabu	NA																											
Mr. CH Suresh	NA																											
Ms. Rajeswari Immani	NA																											
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 2017 - 18	<table><tr><td colspan="2">DIRECTORS</td></tr><tr><td>Dr Ramachandra Rao Nemani</td><td>NA</td></tr><tr><td>Dr. Y Satyanarayana</td><td>NA</td></tr><tr><td>Dr. Murthy Muthayala</td><td>NA</td></tr><tr><td>Mr. M Rambabu</td><td>NA</td></tr><tr><td>Mr. A Rambabu</td><td>NA</td></tr><tr><td>Mr. CH Suresh</td><td>NA</td></tr><tr><td>Ms. Rajeswari Immani</td><td>NA</td></tr><tr><td colspan="2">KEY MANAGERIAL PERSONNEL</td></tr><tr><td>Dr. Ramachandra Rao Nemani Nemani</td><td>NA</td></tr><tr><td>Mr. V. V. Nagendra</td><td>24.49</td></tr><tr><td>Mr. V. Bala Subramanyam</td><td>23.95</td></tr><tr><td>Mr. Sunil Nemani</td><td>NA</td></tr></table>	DIRECTORS		Dr Ramachandra Rao Nemani	NA	Dr. Y Satyanarayana	NA	Dr. Murthy Muthayala	NA	Mr. M Rambabu	NA	Mr. A Rambabu	NA	Mr. CH Suresh	NA	Ms. Rajeswari Immani	NA	KEY MANAGERIAL PERSONNEL		Dr. Ramachandra Rao Nemani Nemani	NA	Mr. V. V. Nagendra	24.49	Mr. V. Bala Subramanyam	23.95	Mr. Sunil Nemani	NA
DIRECTORS																												
Dr Ramachandra Rao Nemani	NA																											
Dr. Y Satyanarayana	NA																											
Dr. Murthy Muthayala	NA																											
Mr. M Rambabu	NA																											
Mr. A Rambabu	NA																											
Mr. CH Suresh	NA																											
Ms. Rajeswari Immani	NA																											
KEY MANAGERIAL PERSONNEL																												
Dr. Ramachandra Rao Nemani Nemani	NA																											
Mr. V. V. Nagendra	24.49																											
Mr. V. Bala Subramanyam	23.95																											
Mr. Sunil Nemani	NA																											
3.	The percentage increase in the median remuneration of employees in the financial year 2017 - 18	11.89																										
4.	The number of permanent employees on the rolls of the Company as on 31 st March, 2018	84																										
5.	Average percentile increase already made in the salaries of employees other than the 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 the managerial remuneration	Average increase in the salaries of employees other than the managerial personnel in the Financial year 2017-18 was 11.89% in comparison with 24.22% increase managerial remuneration.																										
6.	Affirmation that the remuneration is as per the remuneration policy of the company	Remuneration paid during the year ended 31 st March, 2018 is as per the Remuneration policy of the Company.																										

Statement pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forming part of the Directors' Report for the year ended March 31, 2018

(A) Personnel who are in receipt of remuneration aggregating not less than Rs.1,02,00,000 per annum and employed through out of the financial year						
Name	Designation & Nature of Duties	Remuneration (Gross)	Qualification	Date of Commencement of Employment	Age in Years	Last Employment
			NIL			

B) Personnel who are in receipt of remuneration aggregating not less than Rs.8,50,000 per month and employed for part of the financial year						
Name	Designation & Nature of Duties	Remuneration (Gross)	Qualification	Date of Commencement of Employment	Age in Years	Last Employment
			NIL			

For and on behalf of the Board

Place : Hyderabad
Date : 13-08-2018

V. BALA SUBRAMANYAM
Executive Director
DIN: 06399503

V. V. NAGENDRA
Executive Director
DIN: 0231729

Annexure V to the Directors Report Form No. MGT – 9

Extract of Annual Return

as on the financial year ended on 31.03.2018

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

I. REGISTRATION AND OTHER DETAILS:i) CIN:- **L72200TG1994PLCO18351**

ii) Registration Date: 20.09.1994

iii) Name of the Company: **B2B SOFTWARE TECHNOLOGIES LIMITED**

iv) Category / Sub – Category of the Company: Indian Non-Government Company and Company Limited by Shares

v) Address of the Registered Office of the Company and contact details:
D. No. 6-3-1112, 3rd& 4th Floor, AVR Towers, Behind Westside Showroom,
Near Somajiguda Circle, Begumpet, Hyderabad – 500016, Telangana.
Tel: 23372522 / 23375926 Fax: 23322385
Email: investorservice@b2bsoftech.com | Website: www.b2bsoftech.com,

vi) Whether Listed Company: YES

vii) Name, Address and Contact details of Registrar and Transfer Agent, if any:
CIL SECURITIES LTD
214, RaghavaRatna Towers, Chirag Ali Lane, Hyderabad - 500001
Phone No - 040-66612090 / 23202465 / 23203155
Email: rta@cilsecurities.com

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 and Description of main products / services	NIC Code of the Product / Service	% to total turnover of the Company
1.	Computer programming, consultancy and related activities	620	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sl.	Name and Address of the Company	CIN / GLN	Holding /Subsidiary / Associate	% of shares held	Applicable No. section
1.	B2B Softech Inc., USA	NA	Subsidiary	100%	2(87)

IV. Share holding pattern (Equity)
I) Category wise shareholding

Category of Shareholders	No. of Shares held at the beginning of the year (As at 01-04-2017)				No. of shares held at the end of the year (As at 31-03-2018)				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	156170	248280	404450	3.49%	156165	248280	404445	3.49%	0.00%
b) Central Govt	0	0	0	0.00%	0	0	0	0.00%	0.00%
c) State Govt (s)	0	0	0	0.00%	0	0	0	0.00%	0.00%
d) Bodies Corporate	1511000	0	1511000	13.04%	1511000	0	1511000	13.04%	0.00%
e) Banks / FI	0	0	0	0.00%	0	0	0	0.00%	0.00%
f) Any other	0	0	0	0.00%	0	0	0	0.00%	0.00%
Sub Total (A) (1):	1667170	248280	1915450	16.53%	1667165	248280	1915445	16.53%	0.00%
(2) Foreign									
a) NRIs – Individuals	3960202	1360270	5320472	45.92%	3960202	1360270	5320472	45.92%	0.00%
b) Other – Individuals	0	0	0	0.00%	0	0	0	0.00%	0.00%
c) Bodies Corporate	0	1290900	1290900	11.14%	0	1290900	1290900	11.14%	0.00%
d) Banks / FI	0	0	0	0.00%	0	0	0	0.00%	0.00%
e) Any other	0	0	0	0.00%	0	0	0	0.00%	0.00%
Sub Total (A) (2):	3960202	2651170	6611372	57.07%	3960202	2651170	6611372	57.07%	0.00%
Total Shareholding of Promoter									
(A) = (A) (1)+ (A) (2)	5627372	2899450	8526822	73.60%	5627367	2899450	8526817	73.60%	0.00%
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0.00%	0	0	0	0.00%	0.00%
b) Banks / FI	0	0	0	0.00%	0	0	0	0.00%	0.00%
c) Central Govt	0	0	0	0.00%	0	0	0	0.00%	0.00%
d) State Govt (s)	0	0	0	0.00%	0	0	0	0.00%	0.00%
e) Venture Capital Funds	0	0	0	0.00%	0	0	0	0.00%	0.00%
f) Insurance Companies	0	0	0	0.00%	0	0	0	0.00%	0.00%
g) FII's	0	0	0	0.00%	0	0	0	0.00%	0.00%
h) Foreign Venture Capital Funds	0	0	0	0.00%	0	0	0	0.00%	0.00%
i) Others (specify)	0	0	0	0.00%	0	0	0	0.00%	0.00%
Sub Total (B) (1):	0	0	0	0.00%	0	0	0	0.00%	0.00%
2. Non Institutions:									
a) Bodies Corporate	0	0	0	0.00%	0	0	0	0.00%	0.00%
i) Indian	109675	1000	110675	0.96%	39254	1000	40254	0.35%	-0.61%
ii) Overseas	0	0	0	0.00%	0	0	0	0.00%	0.00%
b) Individuals	0	0	0	0.00%	0	0	0	0.00%	0.00%
Individual shareholders holding nominal share capital upto Rs.1 lakh	546847	177021	723868	6.25%	582452	176121	758573	6.55%	0.30%
Individual shareholders holding nominal share capital in excess of Rs.1 lakh	1281335	342700	1624035	14.02%	1317056	342700	1659756	14.33%	0.31%
Others (specify) B2B ESOP TRUST	0	600000	600000	5.18%	0	600000	600000	5.18%	0.00%
Sub Total (B) (2):	1937857	1120721	3058578	26.40%	1938762	1119821	3058583	26.40%	0.00%
Total Public Shareholding									
(B) = (B) (1)+(B)(2)	1937857	1120721	3058578	26.40%	1938762	1119821	3058583	26.40%	0.00%
C. Shares held by Custodians for GDRs and ADRs	0	0	0	0.00%	0	0	0	0.00%	0.00%
Grand Total (A+B+C)	7565229	4020171	11585400	100.00%	7566129	4019271	11585400	100.00%	0.00%

II) Share holding of Promoters

Sl. No.	Shareholders Name	Shareholding at the beginning of the Year (As at 01-04-2017)			Shareholding at the end of the Year (As at 31-03-2018)			% change in shareholding during the year
		No. of Shares	% of the total shares of the Company	% of shares pledged/encumbered to total shares	No. of Shares	% of the total shares of the Company	% of shares pledged/encumbered to total shares	
1	RAMACHANDRA RAO NEMANI	2458760	21.22%	-	2458760	21.22%	-	-
2	RAVILEELA GRANITES LTD	1511000	13.04%	-	1511000	13.04%	-	-
3	RAM NEMANI DEF. BEN. PENSION PLAN TRUST	1087600	9.39%	-	1087600	9.39%	-	-
4	JANAKIRAMA VARMA MEKA	1085270	9.37%	-	1085270	9.37%	-	-
5	SHARMILA NEMANI	496700	4.29%	-	496700	4.29%	-	-
6	SUNIL NEMANI	373600	3.22%	-	373600	3.22%	-	-
7	MURTHY MUTHYALA	351150	3.03%	-	351150	3.03%	-	-
8	VINITHA P VARMA	250300	2.16%	-	250300	2.16%	-	-
9	PRATHIMA NEMANI	233400	2.01%	-	233400	2.01%	-	-
10	P RAVINDRA REDDY	212110	1.83%	-	212110	1.83%	-	-
11	VARMA J MEKA DEF.BEN. PENSION PLAN TRUST	203300	1.75%	-	203300	1.75%	-	-
12	J VASANTHA	119610	1.03%	-	119605	1.03%	-	-0.00
13	CHENDRA L J MEKHA	60000	0.52%	-	60000	0.52%	-	-
14	DR K LAHIRI	21580	0.19%	-	21580	0.19%	-	-
15	HARSHINI	18000	0.16%	-	18000	0.16%	-	-
16	SAMANTHAREDDY	15900	0.14%	-	15900	0.14%	-	-
17	NEELAM JAYANTH REDDY	7900	0.07%	-	7900	0.07%	-	-
18	KRISHNA VARMA MEKA	6270	0.05%	-	6270	0.05%	-	-
19	ANJANEYULU KROTHAPALLI	5022	0.04%	-	5022	0.04%	-	-
20	P LEELAVATHI	2510	0.02%	-	2510	0.02%	-	-
21	N LAVANYA REDDY	2500	0.02%	-	2500	0.02%	-	-
22	S RAMESH	2000	0.02%	-	2000	0.02%	-	-
23	R SUBBARAMI REDDY	1010	0.01%	-	1010	0.01%	-	-
24	L PRATAP REDDY	1000	0.01%	-	1000	0.01%	-	-
25	SRINIVAS REDDY P	300	0.00%	-	300	0.00%	-	-
26	J MADAN MOHAN REDDY	10	0.00%	-	10	0.00%	-	-
27	N CHINNAPPA REDDY	10	0.00%	-	10	0.00%	-	-
28	ARUN RAJ	10	0.00%	-	10	0.00%	-	-
	TOTAL	85,26,822	73.60%	0.00%	85,26,817	73.60%	0.00%	0%

(iii) Change in Promoters' Shareholding (Please specify, if there is no change)

Sl. No	Shareholder's Name	Shareholding at the beginning of the year (As at 01-04-2017)					Shareholding at the end of the year (As at 31-03-2018)	
		No. of shares	% of the total shares of the Company	Date	Increase / Decrease in shareholding	Reason	No. of shares	% of the total shares of the Company
1	J VASANTHA	1,19,610	1.03%	-	5	Sale	1,19,605	1.03%
	GRAND TOTAL	1,19,610	1.03%		5		1,19,605	1.03%

There has been no change in the remaining Promoters holding during the financial year 2017 – 2018

(iv) Shareholding pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No	Shareholder's Name	Shareholding at the beginning of the year (As at 01-04-2017)					Shareholding at the end of the year (As at 31-03-2018)	
		No. of shares	% of the total shares of the Company	Date	Increase / Decrease in share holding	Reason	No. of shares	% of the total shares of the Company
1	PENMETSA SATYAVATI VARMA	6,62,400	5.72%	-	-	Nil Movement	6,62,400	5.72%
2	B2BESOP TRUST	6,00,000	5.18%	-	-	Nil Movement	6,00,000	5.18%
3	MARNI RAMA DEVI	2,34,700	2.03%	-	-	Nil Movement	2,34,700	2.03%
4	ADISESHA B REDDY	1,97,000	1.70%	-	-	Nil Movement	1,97,000	1.70%
5	DHEERAJ KUMAR LOHIA	39,456	0.34%					
				28-04-2017	10,000	Purchase		
				26-05-2017	10,269	Purchase		
				30-06-2017	6,400	Purchase		
				20-10-2017	857	Purchase		
				08-12-2017	29,885	Purchase		
				15-12-2017	7,899	Purchase		
				22-12-2017	1,494	Purchase	1,06,260	0.92%
6	DEEPINDER SINGH POONIAN	58,990	0.51%		3,039	Purchase	62,029	0.54%
7	KOPPISETTI VENKATA RAMANA	60,000	0.52%	25-01-2018	10	Sale	59,990	0.52%
8	MARAM REDDY RAJARAM REDDY	43,400	0.37%	-	-	Nil Movement	43,400	0.37%
9	MANISH DHINGRA	38,108	0.33%	21-07-2017	500	Purchase	38,608	0.33%
10	VIJAY KUMAR BANGAD	25,649	0.22%			Nil Movement	25,649	0.22%
11	M NEELA REDDY	25,000	0.22%	-	-	Nil Movement	25,000	0.22%
	GRAND TOTAL	19,84,703			70,333		20,55,036	

(v) Shareholding of Directors and Key Managerial Personnel

Sl No.	For each of the Directors and Key Managerial Personnel DIRECTORS	Shareholding at the beginning of the year (As at 1 st April 2017)		Shareholding at the beginning of the year (As at 31 st March 2018)	
		No. of Shares	% of the total shares of the Company	No. of Shares	% of the total shares of the Company
1	Dr. RAMACHANDRA RAO NEMANI	2458760	21.22%	2458760	21.22%
2	Dr. MURTHY MUTYALA	351150	3.03%	351150	3.03%
3	Dr. Y SATYANARAYANA	0	0	0	0
4	Mr. M RAMBABU	0	0	0	0
5	Mr. A RAMBABU	0	0	0	0
6	Mr. CH SURESH	0	0	0	0
7	Ms. IMMANI RAJESWARI	0	0	0	0
8	Mr. V V NAGENDRA	0	0	0	0
9	Mr. V BALA SUBRAMANYAM	0	0	0	0
	KEY MANAGERIAL PERSONNEL				
1	Dr. RAMACHANDRA RAO NEMANI (Director & CEO)	2458760	21.22%	2458760	21.22%
2	Mr. SUNIL NEMANI (CFO)	373600	3.22%	373600	3.22%
3	Mr. V V NAGENDRA (Executive Director)	0	0	0	0
4	Mr. V BALA SUBRAMANYAM (Executive Director)	0	0	0	0

V. INDEBTEDNESS

The Company has not made any borrowings during the financial year 2017 – 2018. The Company also does not have outstanding borrowings as at the beginning of the financial year.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. Remuneration to Managing Director, Whole Time Directors and / or Manager:

Sl. No	Particulars of Remuneration	Mr. V V Nagendra DIN:00231729 Wholetime Director	Mr. V Bala Subramanyam DIN: 06399503 Wholetime Director	Total Amount
	Gross Salary			
	(a) Salary as per provision contained in section 17 (1) of the Income Tax Act, 1961	24,53,880	24,53,880	49,07,760
	(b) Value of perquisites under Section 17(2) of the Income Tax Act, 1961	271,337.00	3,14,468	5,85,805
	(C) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961—	-	-	-
	Stock option	-	-	-
	Sweat equity	-	-	-
	Commission	-	-	-
	- as % of profit	-	-	-
	- Others	-	-	-
	Others (Retirals)	-	-	-
	TOTAL	27,25,217	27,68,348	54,93,565
	Ceiling as per the Act (@ 10% of profits calculated under Section 198 of the Companies Act, 2013)			

B. REMUNERATION TO OTHER DIRECTORS:

Sl No.	Particulars of Remuneration	Name of Directors				Total Amount
1.	Independent Directors	Mr. M. Rambabu DIN: 03473901	Mr. A. Rambabu DIN: 03473906	Mr. Ch. Suresh DIN: 03473921	MS. I Rajeswari DIN: 07127791	
	Fee for attending board/ committee meetings	50,000	50,000	40,000	30,000	170,000
	Commission	-	-	-	-	-
	Others	-	-	-	-	-
	TOTAL (1)	50,000	50,000	40,000	30,000	170,000
2	Other Non-Executive Directors	Dr. Ramachandra Rao Nemani DIN: 01131212	Dr. Y Satyanarayana DIN: 00360679	Dr. Murthy Mutyala DIN: 02394524		
	Fee for attending board/ committee meetings	20,000	10,000	20,000	-	50,000
	Commission	-	-	-	-	-
	Others	-	-	-	-	-
	TOTAL (2)	20,000	10,000	20,000	-	50,000
	TOTAL (B) = (1+2)	70,000	60,000	60,000	30,000	220,000
	Total managerial remuneration (A+B)	-	-	-	-	-
	Overall ceiling as per the Act (@11% of profits calculated under section 198 of the Companies Act, 2013)	-	-	-	-	-

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER / WTD:

Sl. No	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		CEO Dr. Ramachandra Rao Nemani	CFO Mr. Sunil Nemani	
1	Gross Salary			
	(a) Salary as per provision contained in section 17 (1) of the Income Tax Act, 1961	-	-	-
	(b) Value of perquisites under Section 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	-	-	-
	Commission			
	- as % of profit	-	-	-
4	- Others			
5	Others (Retirals)	-	-	-
	TOTAL	-	-	-

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

No penalties, punishments were imposed either on the Company or any of its officers during the year under review. Neither the Company nor its Directors have filed any applications for compounding of offences.

For and on behalf of the Board

Place : Hyderabad
Date : 13-08-2018

V. BALA SUBRAMANYAM
Executive Director
DIN: 06399503

V. V. NAGENDRA
Executive Director
DIN: 0231729

Secretarial Audit Report

For the Financial Year Ended 31-03-2017

[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
B2B SOFTWARE TECHNOLOGIES LIMITED
3RD AND 4TH FLOOR, AVR TOWERS,
6-3-1112, BEHIND WEST SIDESHOWROOM,
NEAR SOMAJIGUDA CIRCLE, BEGUMPET
HYDERABAD,
Telangana

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **B2B SOFTWARE TECHNOLOGIES LIMITED** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

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

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

- i. The Companies Act, 2013 (the Act) and the Rules made there under to the extent applicable; except for the appointment of whole-time Company Secretary.
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment

During the period of audit, the Company has not made any transactions. Hence the reporting of compliance under these regulations does not arise.

- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) (Amendment) Regulations, 2011;
During the period of Audit, the Company has no activities under these regulations. Hence the reporting of compliance under these regulations does not arise.
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
During the period of Audit, the Company has no activities under these regulations. Hence the reporting of compliance under these regulations does not arise.
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
During the period of Audit, the Company has no activities under these regulations. Hence the reporting of compliance under these regulations does not arise.
 - d. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
 - e. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
During the period of our audit the Company has not issued any securities under these regulations. Hence the reporting of compliance under these regulations does not arise. However, it is observed that an amount of Rs.60,00,000/- is advanced to B2B ESOP Trust in February 2008, for allotment of shares to employees under ESOP Scheme, but as per the information obtained, none of the employees have exercised their options and the shares are still lying in the name of B2B ESOP Trust.
 - f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
During the period of audit, the Company has not issued any Debt Securities under these regulations. Hence the reporting of compliance under these regulations does not arise.
 - g. 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;
 - h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009
During the period of audit, the Company has not delisted its Equity Shares from the Stock Exchange, where the shares are listed. Hence the reporting of compliance under these regulations does not arise;
 - i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998
During the period of audit, the Company has not done any buy back of its securities. Hence the reporting of compliance under these regulations does not arise.
- vi. Other laws applicable specifically to the Company namely:
 - a. Information Technology Act, 2000 and the rules made thereunder
 - b. Software Technology Parks of India rules and regulations

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

- (I) Secretarial Standards issued by The Institute of Company Secretaries of India,
- (II) The Listing Agreement entered into by the Company with BSE Limited read with The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 except Clauses and regulations relating to Corporate Governance Report and except for the following:
 - a. Relating to the appointment of Company Secretary; and
 - b. Complying with the condition relating to holding of shares by the promoters in demat form.

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

I further report, that the compliance by the company of applicable financial laws, like direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed in this Audit, since the same have been subject to review by Statutory financial audit and other designated professionals.

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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent adequately in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

I further report that, based on the information provided by the Company, its officers and authorized representatives during the conduct of the audit and based on records maintained in my opinion, 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.

K. Jhansi Laxmi
Company Secretary in Practice
CP No:10744

Place:Hyderabad
Date:13-08-2018

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

ANNEXURE – A

To,
The Members,
B2B SOFTWARE TECHNOLOGIES LIMITED
3RD AND 4TH FLOOR, AVR TOWERS,
6-3-1112, BEHIND WEST SIDESHOWROOM,
NEAR SOMAJIGUDA CIRCLE, BEGUMPET
HYDERABAD, TELANGANA

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

K. Jhansi Laxmi
Company Secretary in Practice
CP No:10744

Place:Hyderabad
Date:13-08-2018

MANAGEMENT DISCUSSION AND ANALYSIS

B2B - Health Care Division

The Healthcare Information Technology industry continued to evolve in 2014 with new coding standards coming to the forefront. Perhaps the most noteworthy change is the transition to ICD-10, a far more comprehensive coding standard than its predecessor, ICD-9. In addition, GeniusDoc has made strides to expand on its electronic prescribing functionality by including the ability to prescribe controlled substances (EPCS) as well as send clinical messages.

The initial flurry of Meaningful Use incentives is drawing to a close, thus putting many physicians at a crossroads. Either tolerate their EHR for the foreseeable future or undertake the painful process of finding and implementing a new EHR throughout their practice. Fortunately, GeniusDoc has been able to reap the benefits of its favorable reputation in the medical community as several practices have moved on from less desirable EHRs to GeniusDoc based largely on word of mouth. Consequently, this transition has helped GeniusDoc expand its reach into previously untapped regions like the Pacific Northwest (i.e. Washington) and the Southeast (i.e. Alabama). The last few years have also featured a wave of hospitals buying out private practices as well as consolidation. The movement towards hospital settings has not fazed GeniusDoc as practices have gone to great lengths to ensure that they are still able to use the application despite the change in ownership. The increase in consolidation has allowed the company to leverage its existing customer base as physicians and practices are joining GeniusDoc affiliated practices.

One of the hallmarks of GeniusDoc is its commitment to constantly improving the product both internally through customer feedback and externally by integrating third parties into the application. Beyond servicing the expected medical needs of practices, GeniusDoc has matured into an incredibly robust practice management application capable of accommodating multiple workflows. In fact, many practices have incorporated the GeniusDoc Patient Portal into their workflow to reduce the burden on front office staff as well as improve transparency with patients. Moreover, several practices have leveraged the tools inside of GeniusDoc to streamline patient visits (i.e. Dashboard, Synopsis, etc.) by tapping into a horde of readily available information.

GeniusDoc collaborated with notable credit card processor, TransFirst, to develop an integrated solution that streamlines payment workflow in front offices. Along those lines, GeniusDoc also worked with an appointment reminder service, Callpointe, to relieve the burden placed on front offices to constantly reach out to patients to confirm patient appointments.

In short, the future continues to look bright for GeniusDoc as the product continues to mature and evolve while the customer base grows.

B2B in the Microsoft Dynamics world

B2B is India's leading provider of business consulting services delivering exceptional service and sustainable value through consulting, software and IT implementation in Microsoft Dynamics World. Our diverse clientele includes mid-sized companies and larger enterprises.

As a Microsoft partner – B2B advances and adds value to Microsoft's leading business solutions and client relationships by ensuring that companies get the highest level of attention, expertise and results from Microsoft technology.

With more than 200+ client engagements, B2B leverages its deep expertise in Microsoft Dynamics and Microsoft technology to deliver a competitive edge to organizations worldwide.

B2B LIFT is certified by Third Party Consulting Company for GMP.

Our Reseller base is consistently increasing with more than 200 add-on sales in India and Abroad. Our Reseller base abroad spreads across, USA, Singapore, Philippines, Malaysia, Vietnam, Sri Lanka, Australia, Belgium, South Africa, UAE, Kenya, Nigeria, Mauritius and Middle East.

B2B development team has developed HR & Payroll add-ons specific to different countries for Microsoft Dynamics Partners on NAV and AX.

Our expertise and understanding of Microsoft's suite of products combined with our industry knowledge and consulting experience enables us to quickly focus on selling and providing services related to Microsoft Dynamics Products

Our relationship with Microsoft has contributed to our ability to expand and maintain our worldwide presence, enabled us to provide input on product enhancement and gain access to Microsoft resources that facilitate product placement and services opportunities in the market

Risk and Risk Mitigations:

Microsoft Dynamics being a growing business, new entrants into the market and competition will continue to exert pricing pressure undermining industry profitability, Strategic positioning and generating higher level of economic value by continuing to build IP and offer value added services around verticals and add-on's is mandatory.

Scale of operations is limited to the existing level unless a fresh funding route is identified.

CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The Company's Corporate Governance philosophy is woven around its total commitment to the ethical practices in the conduct of its business.

The Corporate Governance policies of your Company recognizes the accountability of the Board vis-à-vis its various constituents including Customers, Shareholders, Investors, Employees, Government and other Regulatory Authorities, with prime objective to deliver "Superior Shareholder Value".

The schedule of implementation of Corporate Governance Code mentioned in Clause 49 of the Listing Agreement lays down certain mandatory requirements, which your Company has implemented. Your Directors are pleased to report the same.

2. BOARD OF DIRECTORS:

Composition and Functions:

The Board consists of 9 Directors with considerable professional experience and expertise in various fields. The Board of Directors has the ideal composition with more than half the directors being non-executive directors. Since the Company has a non-executive Chairman, the Board's composition meets the stipulated requirement of at least one-third of the Board comprising independent directors.

None of the non-executive directors have any pecuniary relationship or transactions with the Company, except receiving sitting fees for attending Board and Committee Meetings.

The number and dates of the Board Meetings held during the year under review:

5 (Five) Board Meetings were held during the financial year 2017 - 2018 on the following dates:

1. 20.05.2017
2. 14.08.2017
3. 10.11.2017
4. 02.02.2018
5. 12.03.2018

During the year under review the time gap between any two consecutive meetings did not exceed four months.

The details of the attendance of directors at meetings of the Board and annual general meeting, held during the year (starting from 1st April 2017 to 31st March 2018), along with the details of Committee memberships and their other directorships are furnished below:

Name of the Director and category of Directorship	Attendance particulars		No. of other directorships and committee memberships in other companies	
	Board Meetings	Last AGM	Other directorships	Committee memberships
Dr. Murthy Mutyala (Promoter and Non-Executive Director)	2	No	Nil	Nil
Dr. Ramachandra Rao Nemani (Promoter and Non-executive Director)	2	No	1	Nil
Dr. Y. Satyanarayana (Promoter and Non-Executive Director)	1	No	Nil	Nil
Mr. V. V. Nagendra (Non Promoter and Executive Director)	5	Yes	1	Nil
Mr. V. Bala Subramanyam (Non Promoter and Executive Director)	5	Yes	1	Nil
Mr. A. Rambabu (Non Promoter and Independent Director)	5	Yes	Nil	Nil
Mr. M. Rambabu (Non Promoter and Independent Director)	5	Yes	Nil	Nil
Mr. Ch. Suresh (Non Promoter and Independent Director)	4	Yes	Nil	Nil
Ms. Immani Rajeswari (Non Promoter and Independent Woman Director)#	3	Yes	Nil	Nil

Name of the Director and category of Directorship	Other Directorships	Shares held in the Company
Dr. Murthy Mutyala, Director (Promoter and Non Executive Director)	NIL	3,51,150
Dr. Ramachandra Rao Nemani, Director (Promoter and Non-executive Director)	B2B Softech Inc., USA	24,58,760
Dr. Y. Satyanarayana, Director (Promoter and Non-Executive Director)	NIL	NIL
Mr. V. V. Nagendra, Executive Director (Non Promoter and Whole Time Director)	NIL	NIL
Mr. V. Bala Subramanyam, Executive Director (Non Promoter and Whole Time Director)	Stellar IT Solutions Private Limited	NIL
Mr. A. Rambabu (Non Promoter and Independent Director)	NIL	NIL
Mr. M. Rambabu (Non Promoter and Independent Director)	NIL	NIL
Mr. Ch. Suresh (Non Promoter and Independent Director)	NIL	NIL
Ms. Immani Rajeswari (Non Promoter and Independent Director)	NIL	NIL

- During the year 2017 – 2018, information as mentioned in Schedule II Part A of the Listing Regulations has been placed before the Board.
- None of the Directors are related to each other
- The Board on a periodical basis reviews the compliance status of all the laws that are applicable to the Company.

FAMILIRISATION PROGRAMME

Senior management personnel of the Company make presentations to the Board Members on a periodical basis, briefing them on the operations of the Company, plans, strategy, risks involved, new initiatives, etc. and seek their opinions and suggestions on the same.

The Directors are also briefed on their specific responsibilities and duties that may arise from time to time.

Presentations are made to new Director who joins the Board with a brief background of the Company, its operations and is informed of the important policies of the Company including the Code of Conduct for Directors and Senior Management Personnel and the Code of Conduct for Prevention of Insider Trading, Policy on Related Party Transactions, Policy on Remuneration, Whistle blower policy.

The Familiarization Program conducted for the Independent Directors has been posted on the Company's website – www.b2bsofttech.com.

CODE OF BUSINESS CONDUCT AND ETHICS

The Company has adopted a Code of Business Conduct and Ethics (the 'Code'), which applies to all senior management personnel, and Directors of the Company. It is the responsibility of all senior management personnel and Directors to familiarize themselves with this Code and comply with its standards.

The Code of Business Conduct and Ethics have been posted on the Company's website – www.b2bsofttech.com.

3 AUDIT COMMITTEE:

(a) Terms of reference:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions
 - g. Qualifications in the draft audit report

5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

(b) Composition, Meetings and attendance during the financial year

Name of the Member	Category	Attendance at the meetings held on			
		20.05.2017	14.08.2017	10.11.2017	02.02.2018
Mr. M. Rambabu	Independent Non Executive Chairman]	Yes	Yes	Yes	Yes
Mr. A. Rambabu	Independent Non Executive	Yes	Yes	Yes	Yes
Mr. Ch. Suresh	Independent Non Executive	Yes	Yes	Yes	Yes
Ms. Rajeswari Immani	Independent Non Executive	Yes	Yes	Yes	No
Dr. Ramachandra Rao Nemani	Promoter Non Executive	Yes	No	No	No
Dr. Murthy Mutyala	Promoter Non Executive	No	No	No	Yes

The representatives of the statutory auditors and internal auditors are the permanent invitees and they have attended all the meetings held during the year. Minutes of the Audit Committee Meetings are circulated to the Members of the Board of Directors and taken note of.

4. NOMINATION AND REMUNERATION COMMITTEE:

In compliance with the provisions of Section 178 of the Companies Act, 2013 the Nomination and Remuneration Committee has been constituted during the financial year and their terms of reference are as under:

(a) Terms of Reference:

1. Identify persons who are qualified to become Directors in accordance with the criteria laid down;
2. Lay down the criteria for appointment at senior management level;
3. Recommend to the Board, appointment and removal of Directors;
4. To vet and approve recommendations from the Executive Directors for the appointment and succession of senior managers;
5. Formulate criteria for evaluation of every Director's performance;
6. Formulate criteria for determining qualifications, positive attributes and independence of a Director;
7. Recommend to the Board a policy relating to remuneration for Directors, Key Managerial Personnel & other employees;
8. Assess, approve or recommend the training and development requirements of Directors and senior management as recommended by the Executive Directors;
9. Devising a policy on Board diversity.

(b) Composition, Meetings and attendance during the financial year:

Name of the Member	Category	Attendance Meeting held on 20 th May, 2017
Mr. A. Rambabu	Independent Non Executive [Chairman]	Yes
Mr. M. Rambabu	Independent Non Executive	Yes
Mr. Ch. Suresh	Independent Non Executive	Yes
Ms. Rajeswari	ImmaniIndependent Non Executive	Yes
Dr. Murthy Mutyala	Promoter Non Executive	Yes

c) Details of Remuneration to Directors:

Following is the details of sitting fees paid to the Independent and Non-Executive Directors of the Company for attending Board Meetings:

Sl. No.	Name of the Director	Sitting Fees paid in Rs.
1.	Dr. Murthy Mutyala	20,000
2.	Dr. Ramachandra Rao Nemani	20,000
3.	Dr. Y. Satyanarayana	10,000
4.	Mr. A. Rambabu	50,000
5.	Mr. M. Rambabu	50,000
6.	Mr. Ch. Suresh	40,000
7.	Ms. Rajeswari Immani	30,000

(d) Remuneration paid to the Whole Time Directors of the Company:

Name and designation of the Director	Salary	Benefits	Variable pay	Service contracts	Notice Period	Total
Mr. V. V. Nagendra, Executive Director	2,453,880	271,337	-	Appointed for 3 years	As per rules of Company	2,725,217
Mr.V. Bala Subramanyam, Executive Directorfor	2,453,880	314,468	-	Appointed 3 years	As per rules of Company	2,768,348

In addition, the following perquisites / benefits are provided which are not included in the above monetary limit:

- Company's contribution towards Provident Fund and Gratuity payable at a rate not exceeding half a month's salary for each completed year of service and Encashment of Leave at the end of his tenure. The same however, shall not to be included in the computation of limits for the remuneration of perquisites aforesaid
- There were no severance fees or stock option plan for the Executive/ Non-Executive Directors. The appointment of Whole Time Directors is made for a period of three years on the terms and conditions contained in the respective resolutions passed by the Members in the General Meeting.

The Company has no stock option scheme and hence no stock options have been granted to the Directors. The Nomination and Remuneration policy is available on the Company's website: www.b2bsofttech.com

(e) Criteria for performance evaluation:

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 criteria for performance evaluation of individual directors, Board as a whole as well as the Board Committees has been formulated.

Performance of the Directors were evaluated on broad criteria such as contribution and value addition to the Board and Committees thereof; contribution to the Company and management to achieve its plans, goals, corporate strategy and risk mitigation; level of preparedness; level of participation in the Board and Committee meetings.

Independent Directors were also assessed based on their performance vis-à-vis Code for Independent Directors under Schedule IV of the Companies Act, 2013. A structured format for evaluation of the Directors on the above parameters has been prepared for the purpose. Director being evaluated does not participate in the evaluation process.

The performance of Board Committees was evaluated by the Board on the basis of their achievement of charter and role of each Committee. The performance of Board as a whole was evaluated by the Independent Directors on the basis of its duties and responsibilities as per terms of reference. The evaluation also assesses the Board composition, need for induction/change in Directors, Board's role in contributing to the growth and progress of the Company.

The overall outcome from the evaluation was that the Board and its individual director are performing effectively and that the Board is well supported to focus on strategy, governance and compliance.

5. STAKE HOLDERS RELATIONSHIP COMMITTEE:

The members of the Stakeholders Relationship Committee are as follows:

Sl. No	Name of the Member	Designation
1.	Mr. Ch. Suresh	Chairman
2.	Mr. M. Rambabu	Member
3.	Mr. V. V. Nagendra	Member

The Share Transfer Committee approves the transfer of shares, where shares are held in physical form and issues duplicate share certificates as per the provisions of the Companies Act, 2013 read with the Securities Contract (Regulations) Act, 1956 and other applicable Acts/Rules in this regard. The Committee also reviews the status of shares dematerialized and all other matters related to shares.

The Committee meets as often as is required to approve various matters relating to transfers, transmissions, issue of duplicate share certificate etc. There are no requests for share transfers pending for the year under review.

This Committee also looks into the redressal of shareholder and investor complaints like transfer of shares, non-receipt of Dividends/rights/bonus/split share certificate, replacement of lost / stolen / mutilated share certificate, non-receipt of Annual report, other related issues etc. There were no complaints received from investors during the year. There are no investor complaints pending for the year under review.

Name and designation of the compliance officer: Mr. N. Balaraju, Manager – Administration & Commercial.

5A INDEPENDENT DIRECTORS MEETING

During the year, the Independent Directors met on 10th November 2017 without the attendance of non-independent directors and management team, inter alia to discuss their roles and responsibilities about the process of evaluation of non-executive directors, Board as a whole and the Chairman.

They also assessed the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform its duties and found them to be satisfactory. The said meeting was attended by all the Independent Directors.

5B RISK MANAGEMENT

The Company has laid down procedures to inform Board members about the risk assessment and minimisation procedures. The Company is not required to constitute a separate Risk Management Committee in terms of SEBI circular No.CIR/CFD/POLICY CELL/2/2014 dated 17th April, 2014.

6. AUDITORS' CERTIFICATION ON CORPORATE GOVERNANCE:

As required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Auditors' certification is provided elsewhere in the Annual Report.

7. SUBSIDIARY COMPANY:

The Company has only one subsidiary which has been incorporated outside India under the name and style of B2B Softech Inc., USA. The Audit Committee reviews the financial statements of the Subsidiary Company on an Annual basis.

The policy on determining material subsidiaries is available on the website of the Company i.e., www.b2bsoftech.com. The financials of the individual subsidiary for the financial year 2017 – 2018 and for the previous years are available on the Company's website www.b2bsoftech.com.

8. DISCLOSURES:

(i) Related party Transactions:

There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company as contained under Section 188 of the Companies Act, 2013. Suitable disclosures as required by the Accounting Standards [AS18] have been made in the notes to the financial statements.

The Company has also formulated a policy for determining the material related party transactions and the details of such policy are available on the Company's website at:

The details of transactions with related parties were placed before the Audit Committee and the Committee has reviewed the same for the year ended 31st March 2018. The details of related party transactions are disclosed in Note No. 32 of Notes on Financial Statements to the Accounts in the Annual Report and also in Form AOC – 2 attached with the Boards' Report.

(ii) Strictures and Penalties

No strictures or penalties have been imposed on the Company by the stock exchanges or by the Securities and

Exchange Board of India [SEBI] or by any statutory authority on any matters related to capital markets during the last three years.

(iii) Vigil Mechanism/Whistle Blower Policy

In terms of Section 177(9) and 177(10) of the Companies Act, 2013 and Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Whistle Blower Policy is formulated to encourage all employees & directors of the Company to report any unethical behaviour, actual or suspected fraud or violation of the 'Code of Conduct and Ethics Policy' of the Company. The said policy also has provisions for providing a secure environment to such employees acting in good faith and safeguarding them from any adverse action by the management.

The Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concerns.

In case of disclosure against any director or in case of no corrective action or non – receipt of response on the disclosure within 30 days, the whistle blower has the right to directly approach the Chairman of the Audit Committee. No personnel have been denied access to the Audit Committee in this regard.

(iv) Code of Conduct

Your Board of Directors has laid down Code of Conduct & Ethics Policy which is applicable to all Board Members and senior management of the Company. This is also posted on the website of the Company. The Code lays down the standard of conduct to be followed by all the Directors and designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with the stakeholders. The Code also contains the duties of Independent Directors as laid down in the Companies Act, 2013.

(v) Accounting Treatment

In preparation of the financial statements, the Company has followed the accounting principles generally accepted in India, including Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. The accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

(vi) Management

- (a) The Management Discussion and Analysis is part of Directors' Report to the Members is provided elsewhere in the Annual Report
- (b) For the year ended 31st March 2018 your Company's Board has obtained declarations from the senior management relating to any material, financial and commercial transactions where they have personal interest that may have a potential conflict with the interests of the Company at large.

(vii) Shareholders' Information

The quarterly results are sent to the stock exchanges on which the Company's shares are listed so as to display the same on its own web-site i.e., www.b2bsoftech.com. During the year there were no presentations made by the Company to analysts.

To expedite the process of share transfers, your Board has delegated the power to Registrar and Transfer Agents - M/s. CIL Securities Limited.

(viii) Prohibition of Insider Trading

In compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 (as amended from time to time) the Company has adopted a Code of Practices and Procedures for fair disclosure of Unpublished Price Sensitive Information.

The Policy provides for periodic disclosures and pre-clearance for dealing in Company's shares and prohibits such transaction by the Directors and specified employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed.

(ix) CEO/CFO CERTIFICATION

The CEO [Whole Time Director]/CFO certification for the year ended 31st March, 2018 has been attached at

the end of this report. Similarly, the CEO [Whole Time Director]/CFO have also given quarterly certification on financial results while placing the quarterly financial results before the Board in terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(x) Adoption of Mandatory Requirements

The Company has complied with all the mandatory requirements as specified under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. As part of non-mandatory requirements, the Non-Executive Chairman is allowed to maintain a Chairman's office at the Company's expense and also allowed reimbursement of expenses incurred in performance of his duties. Also, the post of Chairman and Managing Director/CEO is held by separate persons. The Internal Auditors present their report to the Audit Committee.

(xi) Other Non Mandatory requirements are being reviewed for implementation.

The Company has complied with the requirements of the Schedule V Corporate Governance report sub-para (2) to (10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Commodity Price Risk or Commodity hedging activities: The Company has not carried on any Commodity Business and has also not carried any commodity hedging activities, hence same are not applicable to the Company

The Company has adopted the policy on dissemination of information on the material events to stock exchanges in accordance with the Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The said policy is available on the website of the Company www.b2bsofttech.com.

The Company has adopted the policy on preservation of documents in accordance with the Regulation 9 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Documents Preservation Policy is also available on the website of the Company www.b2bsofttech.com.

9. GENERAL BODY MEETINGS:

Location and date/time of last three Annual General Meetings

Year	Location	Date	Time
2016-17	Registered Office at 3 rd & 4 th Floor, AVR Towers, 6 – 3 – 1112, Behind West Side Showroom, Near Somajiguda, Begumpet, Hyderabad – 500016	25th September, 2017	10.30.a.m.
2015-16	Registered Office at 3 rd & 4 th Floor, AVR Towers, 6 – 3 – 1112, Behind West Side Showroom, Near Somajiguda, Begumpet, Hyderabad – 500016	30th September, 2016	10.30.a.m.
2014-15	Registered Office at 3 rd & 4 th Floor, AVR Towers, 6 – 3 – 1112, Behind West Side Showroom, Near Somajiguda, Begumpet, Hyderabad – 500016	30th September, 2015	11.00 a.m.

The following Special Resolutions were passed by the members at the last three Annual General Meetings:

a. Annual General Meeting held on 25th September, 2017

One Special Resolution was passed.

b. Annual General Meeting held on 30th September, 2016

One Special Resolution was passed as mentioned herein:

1. Reclassification of Promoters as envisaged under Regulation 31A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

c. Annual General Meeting held on 30th September, 2015

One Special Resolution was passed as mentioned herein:

2. Authority for entering into related party transactions with GeniusDoc

No special resolution requiring a postal ballot was passed during the last three years. The Company is not proposing to pass any resolutions through postal ballot at the ensuing Annual General Meeting.

10. MEANS OF COMMUNICATION:

No half-yearly reports were sent to the shareholders. Quarterly results are published in the Financial Express and Andhra Prabha

The results of the Company are displayed on www.b2bsoftech.com. No presentations were made to either analysts or Investors during the financial year 2017 – 2018.

Management Discussion and Analysis forms part of the Annual Report and is provided elsewhere in this report.

11. GENERAL SHAREHOLDER INFORMATION:

A. Details of the ensuing Annual General Meeting

Date	Day	Time	Vunue
28th September 2018	Friday	11.00 am	Registered Office

B. Financial Calendar: 1st April, 2018 to 31st March, 2019

1 st Quarterly Results	Half Yearly Results	3 rd Quarter	4 th Quarter
August 2018	November 2018	February 2018	May 2019

C. Date of Book Closure:

21st Septemer 2018 to 28th September 2018 (Both days inclusive)

D. Dividend Payment Date:

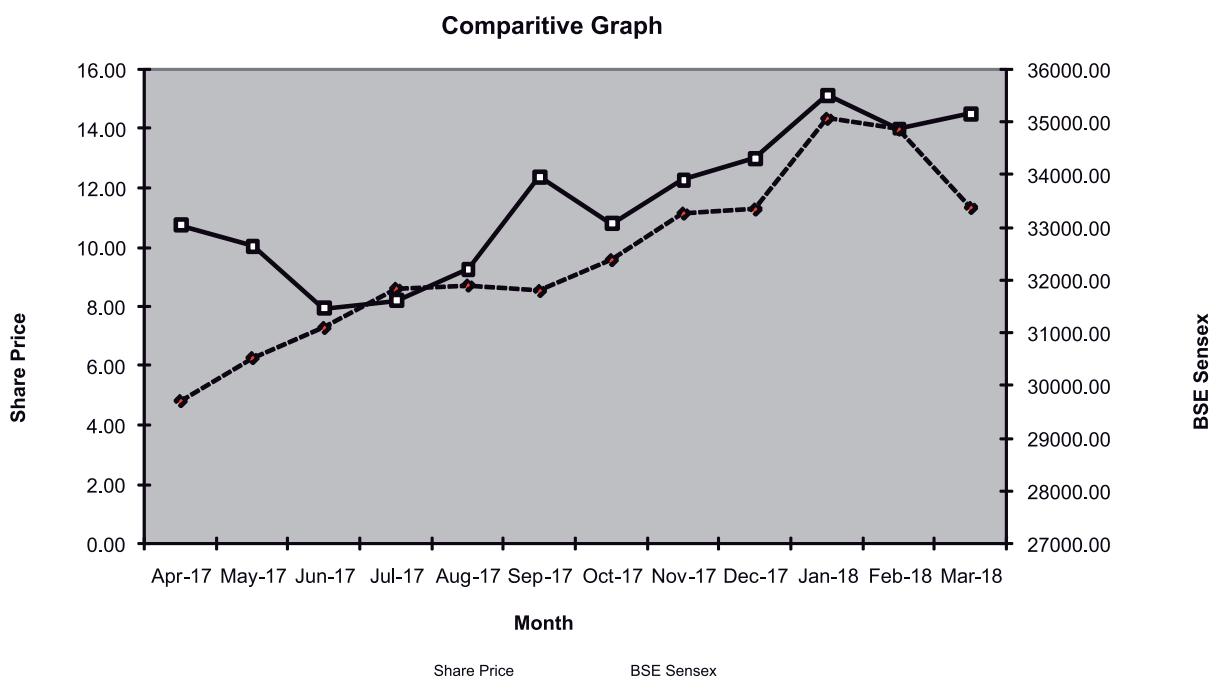
No Dividend is recommended for the financial year 2017– 2018

E. Listing on Stock Exchanges and Stock code:

The shares of the Company are listed on The BSE Limited, Mumbai and the Stock Code is 531268. The Company has paid listing fees to BSE Limited and to the Depositories i.e., NSDL and CDSL for the financial year 2017 – 2018.

F. Market Price Date: High/Low during each month in last financial year (2017 – 2018)

Period	BSE Limited, Mumbai	
	High	Low
April, 2017	11.53	9.98
May, 2017	11.97	8.10
June, 2017	8.53	7.35
July, 2017	8.40	8.00
August, 2017	11.66	6.86
September, 2017	12.80	11.94
October, 2017	12.81	8.79
November, 2017	13.65	10.87
December, 2017	15.99	10.00
January, 2018	16.26	14.00
February, 2018	14.00	14.00
March, 2018	14.50	14.50

G. Performance in comparison to broad-based indices such as BSE Sensex, CRISIL index etc:

H. Registrar and Transfer Agents:

CIL Securities Limited is the Registrar and Share Transfer agents of the Company. For any queries regarding transfer of shares and demat of share, shareholders may contact:

CIL Securities Limited,
 214, Raghava Ratna Towers, Chirag Ali Lane, Abids, Hyderabad – 500 001
 Ph. Nos. 23203156 and 23202465, Fax: 66661277 and 23203028
 e-mail: advisors@cilsecurities.com

I. Share Transfer System:

Pursuant to the appointment of CIL Securities Limited as Common Agency for undertaking Company's electronic and physical share registry work, all the requests for share transfers received by the Company are sent to the Registrar. Similarly, some of the shareholders send the requests for share transfers directly to the Registrar.

Normally the shares, without any technical objections, are transferred and the certificates are sent to the shareholders within 30 days from the date of receipt of the request. The requests, which contain technical objections are rejected and rejection letters along with the requests are sent to the shareholders within 15 days from the date of receipt of the request.

J. Distribution of shareholding:

No. of shares slab	No. of shareholders				No. of shares					
	Physical	Demat	Total	%	Physical	%	Demat	%	Total	%
upto 5000	698	1052	1750	96.90%	184171	4.58%	518640	6.85%	702811	6.07%
5001-10000	1	13	14	0.78%	6270	0.16%	100823	1.33%	107093	0.92%
10001-20000	4	11	15	0.83%	67910	1.69%	142232	1.88%	210142	1.81%
20001-30000	1	4	5	0.28%	25600	0.64%	92572	1.22%	118172	1.02%
30001-40000	0	1	1	0.06%	0	0.00%	38608	0.51%	38608	0.33%
40001-50000	1	0	1	0.06%	43400	1.08%	0	0.00%	43400	0.37%
50001-100000	0	3	3	0.17%	0	0.00%	182019	2.41%	182019	1.57%
100001 & above	9	8	17	0.94%	3691920	91.86%	6491235	85.79%	10183155	87.90%
Total	714	1092	1806	100%	4019271	100%	7566129	100%	11585400	100%

Forfeited Shares: 15400 Equity Shares

Sl. No	Category	No. of Shares	%
1	Promoters & Associates	8526817	73.60
2	Private Body Corporates	40254	0.35
3	Indian Public	2819929	24.34
4	Non-Resident Individuals and OCBs	198400	1.71
	Total	11585400	100%

K. Dematerialization of shares and liquidity:

Name of Demat Registrars: **CIL Securities Limited,**
214, Raghava Ratna Towers,
Chirag Ali Lane,
Abids, Hyderabad – 500 001

Ph. Nos. 23203156 and 23202465
Fax: 66661277 and 23203028
e-mail: advisors@cilsecurities.com

International Securities Identification Number (ISIN): INE151B01011

The Company has entered into Agreements with NSDL and CDSL, and as on 31st March 2018, 7,566,129 Equity Shares have been dematerialized, constituting 65.31% of the total equity. As per the directives of Securities and Exchange Board of India (SEBI), the Company's shares are covered under the compulsory dematerialization list and are transferable through the depository system.

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

The Company has not issued any GDRs, ADRs/ warrants or any convertible instruments.

Development Centre / Registered Office / Address for correspondence**B2B SOFTWARE TECHNOLOGIES LIMITED,**

3rd and 4th Floor, AVR Towers, 6 – 3 – 1112,
Behind West Side Showroom, Near Somajiguda Circle,
Begumpet, Hyderabad – 500016

investorservice@b2bsofttech.com

Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participant (DP)

DECLARATION

As provided under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 this is to confirm that all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended 31st March 2018.

Hyderabad
13-08-2018

V. BALA SUBRAMANYAM
Executive Director
DIN: 06399503

CERTIFICATION

We, V. Bala Subramanyam, Executive Director and Sunil Nemani, Chief Financial Officer of B2B Software Technologies Limited, to the best of our knowledge and belief, certify that:

- A. We have reviewed financial statements and the cash flow statement for the year and that to the best of their knowledge and belief:
- a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are no transactions entered into by the company during the year which are fraudulent, illegal or violative of the Company's code of conduct and ethics.
- C. We are responsible for establishing and maintaining internal controls for financial and that they have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and they have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee that:
- a) there are no significant changes in internal control over financial reporting during the year;
 - b) there are no significant changes in accounting policies during the year
 - c) there are no instances of significant fraud of which they have become aware of that involves management or other employees who have significant role in the Company's internal control system over financial reporting

Place: Hyderabad
Date: 13-08-2018

V. BALA SUBRAMANYAM
Executive Director
DIN: 06399503

SUNIL NEMANI
Chief Financial Officer

AUDITORS' REPORT ON CORPORATE GOVERNANCE

Auditors' Certificate regarding compliance of the conditions of Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
**The Members of
B2B Software Technologies Limited.**

We have examined the compliance of conditions of Corporate Governance by **B2B Software Technologies Limited.**, for the year ended on 31 March 2018, as stipulated in regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paragraph C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") with Stock Exchanges in India.

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

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

For **Umamaheswara Rao & Co.,**
Chartered Accountants

R R Dakshinamurthy
Partner
ICAI MRN 205565
FRN 004453S

Place: Hyderabad
Date: 13-08-2018

INDEPENDENT AUDITORS' REPORT

The Members

M/s B2B Software Technologies Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of M/s B2B Software Technologies Limited ("the Company"), which comprises the Balance Sheet as at March 31, 2018, and the Statement of Profit and Loss, the Statement of cash flows and the Statement of Changes in Equity for the year ended 31st March 2018, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'standalone Ind AS financial statements').

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and Changes in Equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

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

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

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

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

Opinion:

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

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditors' Report) Order, 2016 issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013, we enclose in the Annexure A statement on the matters specified in paragraphs 3 and 4 of the said order.
2. As required by the Companies Act, 2013 under section 143(3)(i) and in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting the "Guidance Note" and the Standards on Auditing, issued by ICAI, we give in the Annexure—B Audit Report of Internal Financial Controls over Financial Reporting.
3. As required by section 143(3) of the Act, we report that:
 - i. We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;

- ii. In our opinion, proper books of account as required by law, have been kept by the company, in so far as appears from our examination of such books of the company;
- iii. The Balance Sheet, Statement of Profit & Loss Account and the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this report are in agreement with the books of accounts of the Company;
- iv. In our opinion, the aforesaid Standalone Ind AS Financial Statements comply with the Accounting standards referred to in section 133 of Companies Act 2013, read with Rule 7 of Companies (Accounts) Rules, 2014;
- v. On the basis of written representations received from the directors, as on 31st March, 2018, and taken on record by the Board of Directors, none of the directors, are disqualified as on 31st March, 2018 from being appointed as a director in terms of sub-section (2) of Sec. 164 of the Companies Act, 2013;
- vi. 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
- vii. 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, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Umamaheswara Rao & Co.,
Chartered Accountants

R R Dakshinamurthy
Partner

Membership No: 211639
FRN : 004453S

Place: Hyderabad
Date: 28-05-2018

Annexure – A to Auditors' Report

Referred to in paragraph 1 of "Report on Other Legal and Regulatory Requirements" in our report of even date:

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone Ind AS financial statements for the year ended 31 March 2018, we report that:

- (i) (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company
- (ii) The Company is a service company, primarily rendering software services. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable to the Company.
- (iii) The Company has not granted any loans, secured or unsecured to Companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013 during the year.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act, with respect to the loans and investments made.
- (v) The Company has not accepted any Deposits from the public and consequently the directives issued by Reserve Bank of India; the provisions of Section 73 to 76 of the Companies Act, 2013 and the rules framed there under are not applicable.

- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of Section 148 of the Companies Act, 2013 in respect of activity carried out by the company.
- (vii) a) According to the information and explanations given to us and on the basis of examination of books of accounts, the Company has been regular in depositing Provident Fund, Employees State Insurance Dues, Service tax, VAT, Income tax and Sales tax with appropriate authorities. According to the information and explanations given to us, no undisputed dues payable in respect of Provident fund, Employees State Insurance, Income Tax, sales tax, VAT customs duty, service tax and Cess were outstanding as at 31st March 2018 for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us, there are no material dues of Income tax, wealth tax, sales tax, duty of custom, duty of excise and cess which have not been deposited with the appropriate authorities on account of any dispute except those given in Annexure-C
- (viii) The Clause relating to payment of dues to any financial institution/Bank/Debenture holders is not applicable, as the company has not borrowed any loans from any financial institution/Bank/Debenture holders.
- According to the information and explanations provided to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (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) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For Umamaheswara Rao & Co.,
Chartered Accountants

R R Dakshinamurthy
Partner

Membership No: 211639
FRN : 004453S

Place: Hyderabad
Date: 28-05-2018

Annexure - B to the Auditors' Report**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of B2B Software Technologies Limited ("the Company") as of 31 March 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, 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 Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, 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 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Umamaheswara Rao & Co.,
Chartered Accountants

R R Dakshinamurthy
Partner

Membership No: 211639
FRN : 004453S

Place: Hyderabad
Date: 28-05-2018

Annexure –C to the Auditors' Report

Name of the statute	Nature of dues	Amount to the extent Not paid (in Rs.)	Period to which the amount relates Financial Year	Form where dispute is pending
Commercial tax department Govt. of Telangana	Sales tax	57,997	2012-13	Telangana Sales tax and VAT Appellate Tribunal

Balance Sheet as at March 31, 2018*(All amounts in Indian Rupees, except share data and where otherwise stated)*

Particulars	Note No.	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
I. ASSETS				
1. Non-current assets				
(a) Property, Plant and Equipment	3	21,98,315	24,55,000	25,95,643
(b) Intangible assets	4	1,353	1,969	2,869
(c) Financial Assets				
(i) Investments	5	33,81,120	33,81,120	33,81,120
(ii) Loans	6	60,00,000	60,00,000	60,00,000
(iii) Other financial assets				
(d) Deferred tax assets (net)				
(e) Other non-current assets	7	7,46,713	7,46,713	7,46,713
		1,23,27,501	1,25,84,802	1,27,26,345
2. Current assets				
(a) Inventories	8	3,32,526	4,16,460	4,47,903
(b) Financial Assets				
(i) Current Investments	9	6,13,35,304	3,24,68,168	2,30,79,994
(ii) Trade receivables	10	1,00,09,424	54,04,240	66,84,005
(iii) Cash and cash equivalents	11	27,36,095	64,21,226	47,12,287
(iv) Bank balances other than (iii) above	12	1,28,58,642	2,89,92,648	2,60,16,485
(v) Loans	13	1,38,017	1,84,253	3,28,672
(vi) Other financial assets				
(c) Current tax assets (Net)				
(d) Other current assets	14	69,67,283	54,03,781	48,26,408
		9,43,77,292	7,92,90,776	6,60,95,754
3. Non-current assets held for sale				
Total Assets		10,67,04,793	9,18,75,578	7,88,22,099
II. EQUITY AND LIABILITIES				
A. Equity				
(a) Equity share capital	15	11,59,31,000	11,59,31,000	11,59,31,000
(b) Other equity		(3,18,54,453)	(4,04,17,426)	(5,22,09,857)
		8,40,76,547	7,55,13,574	6,37,21,143
B. LIABILITIES				
1. Non-current liabilities				
(a) Financial liabilities		-	-	-
(i) Borrowings		-	-	-
(ii) Other financial liabilities		-	-	-
(b) Provisions		-	-	-
(c) Other non-current liabilities		-	-	-
		-	-	-
2. Current liabilities				
(a) Financial liabilities				
(i) Borrowings				
(ii) Trade payables	16	15,55,293	27,93,475	31,58,830
(iii) Other financial liabilities				
(b) Other current liabilities	17	88,36,676	64,96,529	61,06,109
(c) Short-term provisions	18	1,22,36,274	70,72,000	58,36,020
(d) Current tax liabilities (Net)				
		2,26,28,243	1,63,62,004	1,51,00,959
Total Equity and Liabilities		10,67,04,792	9,18,75,578	7,88,22,102

See accompanying notes to the financial statements

As per limited review report of even date

For Umamaheswara Rao & Co.,

Chartered Accountants

Firm Registration No: 004453S

R.R.Dakshinamurthy

Partner

Membership No: 211639

Hyderabad

Date : 28-05-2018

For and on behalf of the Board

V.Bala Subramanyam

Executive Director

DIN : 06399503

Sunil Nemani

Chief Financial Officer

V.V. Nagendra

Executive Director

DIN : 00231729

Dr. Ramachandra Rao Nemani

CEO & Director

DIN: 01131212

Profit & Loss Account for the Year ended March 31,2018
(All amounts in Indian Rupees, except share data and where otherwise stated)

Particulars	Note No	As at	As at
		31.03.2018	31.03.2017
I. Revenue from Operations	19	7,70,98,952	6,65,48,881
II. Other income	20	43,89,220	40,66,009
III. Total revenue (I+II)		8,14,88,172	7,06,14,889
IV. Expenses			
(a) Purchases of Software Products	21	62,57,360	76,31,320
(b) Changes in Inventory - WIP		83,934	31,443
(c) Employee benefit expenses	22	5,37,85,343	3,92,09,958
(d) Administrative and other expenses	23	1,03,11,049	85,98,927
(e) Depreciation and amortization expense	3	12,06,971	15,65,807
Total expenses		7,16,44,657	5,70,37,455
V. Profit/(Loss) before exceptional items and tax (III-IV)		98,43,515	1,35,77,434
VI. Exceptional items		-	-
VII. Profit/(Loss) before tax (V - VI)		98,43,515	1,35,77,434
VIII. Tax expense / (income)			
Current tax		32,52,692	-
Earlier year taxes		4,00,044	-
Deferred Tax		-	-
Total tax expenses		36,52,736	
IX. Profit for the period / year (VII-VIII)		61,90,779	1,35,77,434
Other Comprehensive Income			
A. Items that will not be reclassified to Profit or (Loss)	24	23,72,194	(17,85,000)
Income tax relating to items that will not be reclassified to profit or loss			
B. Items that will be reclassified to Profit or Loss			
Income tax relating to items that will be reclassified to profit or loss			
		23,72,194	(17,85,000)
Total Comprehensive Income for the period (Comprising Profit (Loss) and Other Comprehensive Income for the period)		85,62,973	1,17,92,434
Earnings per share-par value of ₹10 per share			
Class A - Basic and diluted		0.739	1.017
See accompanying notes to financial statements			

As per our report of even date
For Umamaheswara Rao & Co.,
Chartered Accountants
Firm Registration No: 004453S

For and on behalf of the Board

R.R.Dakshinamurthy
Partner
Membership No: 211639

V.Bala Subramanyam
Executive Director
DIN : 06399503

V.V. Nagendra
Executive Director
DIN : 00231729

Hyderabad
Date : 28-05-2018

Sunil Nemani
Chief Financial Officer

Dr. Ramachandra Rao Nemani
CEO & Director
DIN: 01131212

Cash Flow Statement for the year ended March 31, 2018

(All amounts in Indian Rupees, except share data and where otherwise stated)

Particulars	31.03.2018	31.03.2017
A. Cash Flows from Operating Activities		
Net profit/(loss) before tax	85,62,973	1,17,92,434
Adjustments for :		
Depreciation	12,06,971	15,65,807
Income from Investment - Dividends	(28,93,723)	(23,27,695)
Exchange differences on translation of foreign currency cash and cash equivalents	3,33,360	5,45,260
Loss on Sale of Fixed Assets	767	3,353
	72,10,348	1,15,79,159
Operating profit before working capital changes		
Adjustments for changes in working capital :		
(Increase)/Decrease in Work in Progress	83,934	31,443
(Increase)/Decrease in Accounts Receivables	(46,05,184)	12,79,765
(Increase)/Decrease in Loans and Advances	46,236	(4,32,954)
(Increase)/Decrease in Other Current assets	(15,63,502)	-
Increase / (Decrease) in Trade and Other Payables	(12,38,182)	25,065
Increase / (Decrease) in Other Current Liabilities	23,40,147	-
Increase / (Decrease) in Short term provisions	51,64,274	12,35,980
	2,27,723	21,39,299
Cash generated from operations	74,38,071	1,37,18,458
Less: Taxes Paid	-	-
Net Cash from/(used in) Operating Activities	74,38,071	1,37,18,458
B. Cash Flows from Investing Activities		
Purchase of Fixed Assets	(9,73,826)	(14,30,619)
Sale of Fixed Assets	23,390	3,000
Purchase of Mutual Funds	(3,30,77,908)	(1,18,88,173)
Sale of Mutual Funds	42,10,771	25,00,000
Decrease in Long Term Loans & Advances	-	-
Income from Investment - Dividends	28,93,723	23,27,695
Net Cash used in Investing Activities	(2,69,23,849)	(84,88,098)
C. Cash Flows from Financing Activities		
Increase/(Decrease) in Secured Loans	-	-
Interest paid	-	-
Net Cash from/(used in) Financing Activities	-	-
D. Exchange differences on translation of foreign currency cash and cash equivalents		
Net Increase in Cash and Cash equivalents during the year (A+B+C+D)	(3,33,360)	(5,45,260)
Cash and Cash equivalents at the beginning of the year	(1,98,19,138)	46,85,101
	3,54,13,874	3,07,28,772
Cash and Cash equivalents at the end of the year	1,55,94,738	3,54,13,873

As per our report of even date
For Umamaheswara Rao & Co.,
Chartered Accountants
Firm Registration No: 004453S

For and on behalf of the Board

R.R.Dakshinamurthy
Partner
Membership No: 211639

V.Bala Subramanyam
Executive Director
DIN : 06399503

V.V. Nagendra
Executive Director
DIN : 00231729

Hyderabad
Date : 28-05-2018

Sunil Nemani
Chief Financial Officer

Dr. Ramchandra Rao Nemani
CEO & Director
DIN: 01131212

Notes to Financial Statements

(All amounts in Indian Rupees, except share data and where otherwise stated)

1 Nature of operations

B2B Software Technologies is one of the most prominent and competent Microsoft Dynamics Navision Solution Center of Microsoft Dynamics and the number one partner in Telangana, India. The team of Microsoft Dynamics NAV 2009 certified consultants has carried out successful implementations across various industry segments. Our customers include end-user companies as well as other solution centers in Europe, USA, Australia and Asian markets, for whom we undertake the off-shore / onsite solution development

The Company is a public limited company incorporated and domiciled in India and has its registered office in Hyderabad, Telangana, India. The Company has its primary listings on the BSE Limited.

The Company's Standalone financial statements are approved for issue by the Company's Board of Directors on May 28, 2018.

2 Significant Accounting Policies**2.1 Basis of preparation of financial statements**

These Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except certain financial instruments which are measured at fair values, the provisions of Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the act read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 and other pronouncements of the Institute of Chartered Accountants of India (ICAI) to the extent applicable.

The Company has adopted all Ind AS and adoption was carried out in accordance with Ind AS 101, First-time adoption of Indian Accounting Standards. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, Read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was previous GAAP. Reconciliations & descriptions of the effect of the transition have been summarised in Note No 25

Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

2.2 Use of estimates

The Preparation of financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions which effects the application of accounting policies and the reported amounts of assets and liabilities and the disclosure of contingent assets and contingent liabilities at the date of financial statements and the reported amounts of revenue and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgements and use of assumptions in these financial statements have been disclosed in Note No 2.3 & 2.19. Accounting estimates could change from time to time. Actual results could differ from the estimates. Appropriate changes in estimates are made as the Management becomes aware of the changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

2.3 Cash flow statement:

Cash flows are reported using the indirect method, where by the net profit before tax for the period is adjusted for the effects of transactions of a non cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated and presented separately.

2.4 Revenue recognition:

The Company derives revenues primarily from Consultancy services and sale of Software products. Arrangements with Customers for consultancy services are either on time bound fixed-price or time and material basis.

In respect of Time and Material Contracts, revenue is recognised as and when the services are performed. In respect of time bound fixed-price engagements, where there is no uncertainty as to measurement or collectability

of consideration, is recognised using the percentage of completion method of accounting, unless work completed cannot be reasonably estimated. When there is uncertainty as to the measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended have been used to measure the progress towards the completion as there is a direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the current contract estimates. The cumulative impact of any revision in estimates of the percentage of work completed is reflected in the period in which the change becomes known.

In respect of Sale of software products, revenue is recognised on transfer of ownership to the customers.

Interest income is recognised on time proportion basis taking into account the amount outstanding and at the rate applicable.

2.5 Property, Plant and Equipment:

Property, Plant and Equipment are stated at cost of acquisition less accumulated depreciation and impairment, if any. Cost of acquisition is inclusive of freight, duties, levies and all incidentals directly or indirectly attributable to bringing the asset to its working condition for ready to use, as intended by management. The cost of fixed assets includes cost of initial warranty/ insurance spares purchased along with the capital asset, which are grouped as single item under respective assets. The Company depreciates property, plant and equipment over their estimated useful lives using written down value method. The estimated useful lives of the assets are taken as per Schedule II to the Companies Act, 2013.

Depreciation has been provided in the manner specified in Schedule II of the Companies Act, 2013 except for assets costing up to Rs. 5,000/-, which are fully depreciated in the year of capitalization. Depreciation is calculated on a pro-rata basis from the date of installation till the date the assets are sold or disposed.

Repairs and maintenance costs are recognised in the Statement of Profit and Loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognised in the Statement of Profit and Loss. Assets to be disposed of are reported at the lower of the carrying value or the fair value less cost to sell.

2.6 Intangible Assets:

The company owns Copy Rights relating to its service business and are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on written down value method.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

2.7 Foreign currency transactions :

Functional Currency:

The functional currency of the Company is Indian Rupee.

Transactions & Translations

Foreign currency transactions are initially recorded at the rates of exchange ruling at the date of transaction.

Transactions in foreign currencies are translated into the functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into functional currency at the foreign exchange rate ruling at that date.

Differences arising on settlement or translation of monetary items are recognised in the statement of profit and loss.

2.8 Financial Instruments

2.8.1 Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

2.8.2 Subsequent recognition

a. Financial Assets

i. Financial Assets carried at amortised cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is 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."

ii. Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by 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. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

iii. Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories is subsequently fair valued through profit or loss.

b. Financial Liabilities

Financial liabilities are subsequently carried at amortized cost. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

c. Offsetting of financial instruments

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

d. Investment in subsidiaries

Investment in subsidiaries is carried at cost in the separate financial statements.

e. Share Capital

Ordinary Shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares and share options are recognized as a deduction from equity, net of any tax effects.

2.8.3 Derecognition of financial instruments

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expires or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

2.9 Fair Value Measurement

The fair value of financial instruments that are actively traded in organised financial markets is determined by reference to quoted market bid prices at the close of business on the reporting date. For financial instruments where there is no active market, fair value is determined using valuation techniques. Such techniques may include using recent arm's length market transactions; reference to the current fair value of another instrument that is substantially the same; discounted cash flow analysis or other valuation models.

Refer to Note 27 in for the disclosure on carrying value and fair value of financial assets and liabilities. For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amounts approximate fair value due to the short maturity of these instruments.

2.10 Impairment of non-Financial Assets

(i) Intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

2.11 Earnings per Equity Share

Basic earnings per share are computed by dividing the net profit or loss after tax attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share are computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon 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. In computing the dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

2.12 Income Taxes

Income Tax expense comprises current and deferred income tax

a. Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date. Tax relating to items recognised directly in equity is recognised in equity and not in the Statement of Profit and Loss.

b. Deferred income tax

Deferred tax asset/liability is not determined and accounted as per Indian Accounting Standard-12 issued by ICAI as the related benefits on tax losses are considered virtually uncertain.

c. MAT Credit

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. In the year in which the Minimum Alternative tax (MAT) credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the profit and loss account and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

2.13 Employee Benefits

a. Gratuity

The Company provides for gratuity, a defined benefit plan covering eligible employees. The contributions made by the company to the scheme are recognised in Statement of Profit and Loss. The liability recognised in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the Balance Sheet date less the fair value of plan assets. The calculation of the Company's obligation under the plan is performed annually by qualified independent actuary using the projected unit credit method. Actuarial gains and losses arising during the year are immediately recognised in the Statement of Profit and Loss."

b. Provident Fund

Eligible employees of Company receive benefits from a provident fund, which is a defined contribution. Both the employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary and the employer contribution is charged to Statement of Profit and Loss. The benefits are contributed to the government administered provident fund, which is paid directly to the concerned employee by the fund. The Company has no further obligation to the plan beyond its monthly contributions.

c. ESI

In addition, some employees of the Company are covered under "Employees State Insurance Scheme Act 1948", which are also defined contribution schemes recognized and administered by Government of India.

The Company's contributions to these schemes are recognized as expense in Statement of Profit and Loss during the period in which the employee renders the related service. The Company has no further obligation under these plans beyond its monthly contributions.

2.14 Other Income

Other income is comprised primarily of interest income, dividend income, gain/loss on investments and exchange gain/loss on translations. Interest income is recognized using the effective interest method. Dividend income is recognized when the right to receive payment is established.

2.15 Inventory

Work in Progress is valued at cost or rate assured under a contract whichever is lower.

2.16 Investments

Long-term investments are stated at cost. A provision for diminution is made to recognise a decline, other than temporary, in the value of long-term investments. Current investments are carried at the lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investment.

2.17 Leases:

Lease payments under operating leases are recognized as an expense on a straight-line basis in net profit in the Statement of Profit and Loss over the lease term.

2.18 Provisions and contingencies

The Company recognises a provision when there is a present obligation as a result of past obligating event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made. Provisions for onerous contracts i.e. contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognized when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

2.19 Significant accounting judgements, estimates and assumptions Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with IND AS requires management to make certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure

of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

The principal accounting policies adopted by the Company in the financial statements are as set out above. The application of a number of these policies required the Company to use a variety of estimation techniques and apply judgment to best reflect the substance of underlying transactions.

The Company has determined that a number of its accounting policies can be considered significant, in terms of the management judgment that has been required to determine the various assumptions underpinning their application in the financial statements presented which, under different conditions, could lead to material differences in these statements.

The policies where significant estimates and judgments have been made are as follows:

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustments to the carrying amounts of assets and liabilities within the next financial year are discussed below:

- **Estimation of fair value of acquired financial assets and financial liabilities:** When the fair value of financial assets and financial liabilities recorded in the Balance sheet cannot be derived from active markets, their fair value is determined using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. The judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.
- **Un-collectability of trade receivables:** Analysis of 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. Further recoverability of various claims as per power purchase agreement including change in law claim are subject to adjudicate at appropriate regulatory authorities.
- **Taxes:** Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes provisions, based on reasonable estimates, for possible consequences of assessment by the tax authorities. The amount of such provisions is based on various factors, such as experience of previous tax assessment and differing interpretations of tax laws by the taxable entity and the responsible tax authority. The Company assesses the probability for litigation and subsequent cash outflow with respect to taxes.
- **Gratuity benefits:** The cost of defined benefit plans and the present value of the obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Actual results can differ from estimates.

Statement of Changes in Equity for the year ended 31 March 2017

(All amounts in Indian Rupees, except share data and where otherwise stated)

A. Equity Share Capital

Particulars	Balance as at April 1, 2016	Changes in equity share capital during the year	Balance as at March 31, 2017
Equity Share Capital	11,58,54,000	-	11,58,54,000
Forfeiture of Shares	77,000		77,000
Total	11,58,54,000	-	11,59,31,000

B. Other Equity

Particulars	Reserves and Surplus			Other items of Other Comprehensive Income - Actuarial gains / (losses)	Money received against share warrants	Total
	Capital Reserve	Securities Premium Reserve	Retained Earnings			
Balance as at 1st April 2016	-	-	(5,22,09,860)	-	-	(5,22,09,860)
Total Comprehensive Income for the year	-	-	1,35,77,434	(17,85,000)	-	1,17,92,434
Dividends	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-
Issue of shares	-	-	-	-	-	-
Transfer of premium on preference shares to reserves	-	-	-	-	-	-
Balance as at 31st March 2017	-	-	(3,86,32,426)	(17,85,000)	-	(4,04,17,426)

Condensed Statement of Changes in Equity for the year ended 31 March 2018

(All amounts in Indian Rupees, except share data and where otherwise stated)

A. Equity Share Capital

Particulars	Balance as at April 1, 2017	Changes in equity share capital during the year	Balance as at March 31, 2018
Equity Share Capital	11,58,54,000	-	11,58,54,000
Forfeiture of Shares	77,000	-	77,000
Total	11,59,31,000	-	11,59,31,000

B. Other Equity

Particulars	Reserves and Surplus			Other items of Other Comprehensive Income - Actuarial gains / (losses)	Money received against share warrants	Total
	Capital Reserve	Securities Premium Reserve	Retained Earnings			
Balance as at 1st April 2017	-	-	(3,86,32,426)	(17,85,000)	-	(4,04,17,426)
Total Comprehensive Income for the year	-	-	61,90,779	23,72,194	-	85,62,973
Transfer to capital reserve	-	-	-	-	-	-
Balance as at 31st March 2018	-	-	(3,24,41,647)	5,87,194	-	(3,18,54,453)

Notes forming part of Statement of profit and loss for the year ended March 31, 2018

(All amounts in Indian Rupees, except share data and where otherwise stated)

Particulars	As at	As at
	31.03.2018	31.03.2017
5 Investments		
<i>(Unquoted, Investment in Equity shares)</i>		
Investment in Subsidiary		
B2B Softech Inc.,		
72,000 Equity Shares of US Dollar 1 each, fully paid-up	33,81,120	33,81,120
Other Investments		
B2B Infotech Pte Ltd		
200,000 Equity Shares of Singapore Dollar 1 each, fully paid-up	55,10,797	55,10,797
Less: Provision for Diminution in the Value of Investment	(55,10,797)	(55,10,797)
	-	-
B2B Software Technologies Kassel GmbH		
(121,431 Euro)	62,50,862	62,50,862
Advances for Addl investment in Subsidiary Companies - Pending allotment		
B2B Software Technologies Kassel GmbH - Euro 5556	2,86,877	2,86,877
Less: Advance received against sale of investment in subsidiary	(12,92,636)	(12,92,636)
Less: Provision for Loss on Sale of Investment	(39,37,554)	(39,37,554)
Less: Provision for Diminution in the Value of Investment	(13,07,549)	(13,07,549)
	-	-
B2B Infotech SDN BHD		
(2,50,000 Equity Shares of Malaysian RM 1 each fully paid up)	5,48,856	5,48,856
Less: Provision for Diminution in the Value of Investment	(5,48,856)	(5,48,856)
	-	-
	33,81,120	33,81,120
6 Loans		
<i>(Unsecured and considered good)</i>		
Loan to B2B ESOP Trust	60,00,000	60,00,000
	60,00,000	60,00,000
7 Other Non Current assets		
Security Deposits	7,46,713	7,46,713
	7,46,713	7,46,713
8 Inventories		
Work-In-Progress	3,32,526	4,16,460
<i>(As certified by the management)</i>		
	3,32,526	4,16,460
9 Investments		
<i>(Quoted, fully paidup)</i>		
Aditya Birla Sun Life Mutual Fund	1,02,21,381	5,18,256
ICICI Mutual Funds	5,11,13,922	3,19,49,912
Total Quoted Current Investments	6,13,35,304	3,24,68,168
10 Trade Receivables		
<i>(Unsecured and considered good)</i>		
Debts outstanding for a period exceeding six months	45,42,029	42,07,735
Others	1,00,09,424	54,04,240
Less: Provision for Doubtful Debts	(45,42,029)	(42,07,735)
	1,00,09,424	54,04,240
11 Cash and Cash Equivalents		
Cash on hand	6,766	8,586
Balances with scheduled banks		
In Current accounts	27,29,329	64,12,640
In EEFC accounts	1	-
	27,36,095	64,21,226
12 Bank balances other than Cash and Cash equivalents		
Balances with scheduled banks		
In Fixed Deposit accounts	1,28,58,642	2,89,92,648
	1,28,58,642	2,89,92,648

Notes forming part of Statement of profit and loss for the year ended March 31, 2018

(All amounts in Indian Rupees, except share data and where otherwise stated)

Particulars	As at	As at
	31.03.2018	31.03.2017
13 Loans (Unsecured and considered good) Advances recoverable in cash or in kind for value to be received	1,38,017	1,84,253
	1,38,017	1,84,253
14 Other Current assets IT Refund Due Interest accrued but not due Advance Income tax Other Receivables MAT Credit Entitlement	48,06,432 4,17,959 7,50,000 6,70,227 3,22,665	45,38,432 8,65,349 - - -
	69,67,283	54,03,781
15 Equity Share Capital (i) Share Capital Authorised Capital : 1,20,00,000 (31st March 2017 : 1,20,00,000) Equity Shares of Rs.10 each Issued, Subscribed and Paid up Capital : 11,585,400 (31st March 2017 : 11,585,400) Equity Shares of Rs.10 each fully paid up Add : Shares Forfeited (Paid up value Rs.77000/-)	12,00,00,000 11,58,54,000 77,000 11,59,31,000	12,00,00,000 11,58,54,000 77,000 11,59,31,000
Notes: a) Details of Share Holders having more than 5% of Shares	No of Shares	No of Shares
1. Rama Chandra Rao Nemani (% of holding)	24,58,760 21%	24,58,760 21%
2. Ravileela Granites Limited (% of holding)	15,11,000 13%	15,11,000 13%
3. Ram Nemani Def. Ben. Pension Plan Trust (% of holding)	10,87,600 9%	10,87,600 9%
4. Janakirama Varma Meka (% of holding)	10,85,270 9%	10,85,270 9%
5. Penmetsa Satyavati Varma (% of holding)	6,62,400 6%	6,62,400 6%
6. B2B ESOP Trust (% of holding)	6,00,000 5%	6,00,000 5%
b) Reconciliation of number of Shares outstanding Opening Balance of Shares Add: Shares Issued during the year Less: Buyback/ forfeited of shares during the year Closing Balance of Shares	1,15,85,400 - - 1,15,85,400	1,15,85,400 - - 1,15,85,400
16 Trade Payables (Unsecured and considered good) Dues to other than micro and small enterprises	15,55,293	27,93,475
	15,55,293	27,93,475
17 Other Current Liabilities Outstanding expenses Statutory liabilities Security Deposit	36,15,843 21,33,737 30,87,096	31,96,625 5,22,567 27,77,337
	88,36,676	64,96,529
18 Short term Provisions Provision for Gratuity Payable Provision for Key result area Provision for Income tax	89,09,182 74,400 32,52,692	70,06,000 66,000 -
	1,22,36,274	70,72,000

Notes forming part of Statement of profit and loss for the year ended March 31, 2018

(All amounts in Indian Rupees, except share data and where otherwise stated)

Particulars	As at	As at
	31.03.2018	31.03.2017
19 Revenue from operations		
Export Income		
Sale of Software Products	-	-
Income from Consultancy Services	4,12,14,364	3,62,63,730
Domestic Income		
Sale of Software Products	1,22,07,084	1,39,31,160
Income from Consultancy Services	2,36,77,504	1,63,53,991
	7,70,98,952	6,65,48,881
20 Other Income		
Dividend from Mutual Fund	28,93,723	23,27,695
Interest on Deposits	17,12,717	20,92,184
Other Income	43,250	15,543
Interest on TDS Refund	72,890	84,529
Exchange Fluctuation Gain/ (Loss)	-3,33,360	-5,45,260
Reversal of Bad Debts	-	91,318
	43,89,220	40,66,009
21 Purchases of Software Products		
Software Products	62,57,360	76,31,320
	62,57,360	76,31,320
22 Employee benefit expenses		
Salaries *	4,19,70,377	3,66,54,887
Contribution to Provident Fund and other Funds	62,33,711	23,23,982
Product Incentives	52,05,876	-
Staff Welfare Expenses	3,69,715	2,31,089
Certification fee	5,664	-
	5,37,85,343	3,92,09,958
23 Administrative and other Expenses		
Rent	19,20,000	19,20,000
Rates and Taxes	6,56,774	5,58,712
Insurance	92,848	84,777
Travelling Expenses	14,26,478	14,71,977
Communication Expenses		
- Internet Charges	3,17,833	3,17,345
- Telephone	74,637	91,838
- Postage & Courier	9,761	9,520
Printing and Stationery	30,410	20,852
Electricity Charges	6,81,913	7,28,477
Advertisement	61,840	42,840
Repairs and Maintenance		
- Machinery	1,48,630	1,30,721
- Vehicles	6,15,934	5,51,191
Professional and Consultancy Charges	26,71,209	11,15,712
Auditors Remuneration		
Statutory audit fee	1,40,000	1,40,000
Tax audit fee	20,000	20,000
Directors Sitting Fee	2,20,000	2,30,000
Provision for Bad Debts	3,34,294	-
Membership Fee, Meeting & Seminar Charges	3,27,258	6,11,056
Security Charges	2,78,915	2,94,640
Loss On sale of fixed assets	767	3,353
Office Maintenance	2,81,548	2,55,866
	1,03,11,049	85,98,877
24 Other Comprehensive Income		
Items that will not be reclassified to Profit or (Loss)		
Acturial gain/(loss) -Gratuity	23,72,194	(17,85,000)
	23,72,194	(17,85,000)

25 First-time adoption of Ind AS

These standalone financial statements of B2B Software Technologies Limited for the year ended March 31, 2018 have been prepared in accordance with Ind AS. For the purposes of transition to Ind AS, the Company has followed the guidance prescribed in Ind AS 101, First-Time Adoption of Indian Accounting Standards, with April 1, 2016 as the transition date and IGAAP as the previous GAAP.

The transition to Ind AS has resulted in changes in the presentation of the financial statements, disclosures in the notes thereto and accounting policies and principles. The accounting policies set out in Note 1 & 2 have been applied in preparing the standalone financial statements for the year ended March 31, 2018 and the comparative information. An explanation of how the transition from previous GAAP to Ind AS has affected the Company's Balance Sheet and Statement of Profit and Loss, is set out below. Exemptions on the first-time adoption of Ind AS availed in accordance with Ind AS 101 have been set out below.

Exemptions availed on first-time adoption of Ind AS 101**Deemed cost of property, plant and equipment and intangible assets**

The Company has elected to continue with the carrying value of all its property, plant and equipments and intangible assets recognised as of 1st April, 2016 measured as per the previous GAAP and use that carrying value as its deemed cost on transition date.

Derecognition of financial assets and financial liabilities

The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after transition date.

Classification and measurement of financial assets

The Company has assessed classification and measurement of financial assets on the basis of facts and circumstances that exist as on transition date.

Impairment of financial assets

The Company has applied impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date.

B2B Software Technologies Limited**Reconciliation of Balance sheet as at date of transition (1 April 2016)**

(All amounts in Indian Rupees, except share data and where otherwise stated)

	Previous GAAP *	Adjustments	Ind AS
I. ASSETS			
1 Non-current assets			
(a) Property plant and equipment	25,95,643	-	25,95,643
(b) Intangible assets	2,869	-	2,869
(c) Financial assets			
(i) Investments	33,81,120	-	33,81,120
(ii) Loans	60,00,000	-	60,00,000
(iii) Other financial asset			
(d) Other non-current assets	7,46,713	-	7,46,713
	1,27,26,345	-	1,27,26,345
2 Current assets			
(a) Inventories	4,47,903	-	4,47,903
(b) Financial asset			
(i) Current Investments	2,30,79,994	-	2,30,79,994
(ii) Trade receivables	66,84,005	-	66,84,005
(iii) Cash and Cash Equivalents	47,12,287	-	47,12,287
(iv) Bank balances other than (iii) above	2,60,16,485	-	2,60,16,485
(v) Loans	3,28,672	-	3,28,672
(c) Other current assets	48,26,408	-	48,26,408
	6,60,95,754	-	6,60,95,754
	7,88,22,099	-	7,88,22,099

		Previous GAAP *	Adjustments	Ind AS
II EQUITY AND LIABILITIES				
1 Equity				
(a) Equity share capital		11,59,31,000		11,59,31,000
(b) Other equity		(5,22,09,857)		(5,22,09,857)
		6,37,21,143	-	6,37,21,143
2 Non-current liabilities				
3 Current liabilities				
(a) Financial liability				
(i) Trade payables		31,58,830		31,58,830
(b) Other current liabilities		61,06,109		61,06,109
(c) Short-term provisions		58,36,020		58,36,020
		1,51,00,959	-	1,51,00,959
Total Equity and Liabilities		7,88,22,102	-	7,88,22,102

* The Previous GAAP figures have been reclassified to conform to IND AS presentation requirement for the purpose of this note

B2B Software Technologies Limited

Reconciliation of Balance sheet as at date 31 March 17

(All amounts in Indian Rupees, except share data and where otherwise stated)

		Previous GAAP *	Adjustments	Ind AS
I. ASSETS				
1 Non-current assets				
(a) Property plant and equipment		24,55,000	-	24,55,000
(b) Intangible assets		1,969	-	1,969
(c) Financial asset				-
(i) Investments		33,81,120	-	33,81,120
(ii) Loans		60,00,000	-	60,00,000
(iii) Other financial asset		-	-	-
(d) Deferred tax assets (net)		-	-	-
(e) Other non-current assets		7,46,713	-	7,46,713
		1,25,84,803	-	1,25,84,803
2 Current assets				
(a) Inventories		4,16,460	-	4,16,460
(b) Financial asset				-
(i) Current Investments		3,24,68,168	-	3,24,68,168
(ii) Trade receivables		54,04,240	-	54,04,240
(iii) Cash and Cash Equivalents		64,21,226	-	64,21,226
(iv) Bank Balances other than (iii) above		2,89,92,648	-	2,89,92,648
(v) Loans		1,84,253	-	1,84,253
(v) Other financial asset		-	-	-
(c) Current tax assets (Net)		-	-	-
(d) Other current assets		54,03,781	-	54,03,781
		7,92,90,776	-	7,92,90,776
3 Non-current assets held for sale		-	-	-
		9,18,75,579	-	9,18,75,579

		Previous GAAP *	Adjustments	Ind AS
II EQUITY AND LIABILITIES				
1 Equity				
(a) Equity share capital		11,59,31,000	-	11,59,31,000
(b) Other equity		(4,04,17,425)	-	(4,04,17,425)
		7,55,13,575	-	7,55,13,575
2 Non-current liabilities				
3 Current liabilities				
(a) Financial liability				
(i) Trade payables		27,93,475	-	27,93,475
(b) Other current liabilities		64,96,529	-	64,96,529
(c) Current Tax liability (Net)		70,72,000	-	70,72,000
		1,63,62,004	-	1,63,62,004
		9,18,75,579	-	9,18,75,579

* The Previous GAAP figures have been reclassified to conform to IND AS presentation requirement for the purpose of this note

B2B Software Technologies Limited

Reconciliation of statement of profit and loss for the year ended 31 March 2016.

(All amounts in Indian Rupees, except share data and where otherwise stated)

		Previous GAAP *	Adjustments	Ind AS
(c) Current tax assets (Net)		-	-	-
I Revenue from operations		6,65,48,881	-	6,65,48,881
II Other income		40,66,009	-	40,66,009
III Total revenue (I+II)		7,06,14,890	-	7,06,14,890
IV Expenses				
Purchases of Software Products		76,31,320		76,31,320
Changes in Inventory - WIP		31,443	-	31,443
Employee benefit expenses		4,09,94,958	(17,85,000)	3,92,09,958
Administrative and other expenses		85,98,927	-	85,98,927
Depreciation and amortization expense		15,65,807	-	15,65,807
Total expenses		5,88,22,455	(17,85,000)	5,70,37,455
V Profit / (loss) before exceptional items and tax (III - IV)		1,17,92,435	17,85,000	1,35,77,435
VI Exceptional items				-
VII Profit / (loss) before tax (V - VI)		1,17,92,435	17,85,000	1,35,77,435
VIII Tax expense / (income)				
Current tax				
For the year		-	-	-
In respect of earlier years		-	-	-
Total tax expense / (income)		-	-	-
IX Profit / (loss) after tax (VII - VIII)		1,17,92,435	17,85,000	1,35,77,435
XII Other comprehensive income				
Items that will not be reclassified to profit or loss		-	(17,85,000)	(17,85,000)
Income tax relating to items that will not be reclassified to profit or loss		-	-	-
Total comprehensive income		1,17,92,435	-	1,17,92,435

* The Previous GAAP figures have been reclassified to conform to IND AS presentation requirement for the purpose of this note

Reconciliation of total equity as at 31 March 17 and 1 April 2016

		31 March 2017	1 April 2016
Total equity (shareholder's funds) as per previous GAAP		7,55,13,575	6,37,21,143
Adjustments:			
Total adjustments		-	-
Total equity as per Ind AS		7,55,13,575	6,37,21,143

The reconciliation of net profit as previously reported (referred to as "Previous GAAP") and IND AS as under:

Particulars		Quarter ended 31 March 2017	Year ended 31 March 2017
Net profit / (loss) under previous GAAP		20,21,338	1,17,92,435
Net profit / (loss) for the period under IND AS		38,06,338	1,35,77,435
Other comprehensive income		(17,85,000)	(17,85,000)
Total comprehensive income		20,21,338	1,17,92,435

Impact of Ind AS adoption on the statement of cash flows for the year ended 31 March 2017

		Previous GAAP *	Adjustments	Ind AS
Net cash from operating activities		1,37,18,458	-	1,37,18,459
Net cash from investing activity		(84,88,098)	-	(84,88,098)
Net cash from financing activities		-	-	-
Exchange differences on translation of foreign currency cash and cash equivalents		(5,45,260)		(5,45,260)
Net increase / (decrease) in cash and cash equivalents		46,85,101	-	46,85,101
Cash and cash equivalents as at 1 April 2016		3,07,28,772	-	3,07,28,772
Cash and cash equivalents as at 31 March 2017		3,54,13,873	-	3,54,13,873

Notes to first-time adoption:
Re-measurements of post-employment benefit obligations:

Under Ind AS, re-measurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these re-measurements were forming part of the profit or loss for the year. As a result of this change, the profit for the year ended March 31, 2017 decreased by INR 17,85,000. There is no impact on the total equity as at 31 March 2017.

Other comprehensive income:

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes re-measurements of defined benefit plans, foreign exchange differences arising on translation of foreign operations. The concept of other comprehensive income did not exist under previous GAAP.

Notes to Financial Statements:*(All amounts in Indian Rupees, except share data and where otherwise stated)***26 Financial risk management objectives and policies:**

The Company's principal financial liabilities comprises of loans and borrowings and trade and other payables. The main purpose of these financial liabilities is to raise finance for the Company's operations. The Company has loans and receivables, trade and other receivables, and cash and short-term deposits that arise directly from its operations. The Company also hold investments designated at fair value through profit or loss, fair value through other comprehensive income, at amortised cost and at cost for investment in subsidiaries.

The Company is exposed to Foreign Currency risk, credit risk and liquidity risk.

The Company's senior management oversees the management of these risks. The Company's senior management advises on financial risks and the appropriate financial risk governance framework for the Company. It is the Company's policy that no trading in derivatives for speculative purpose may be undertaken.

The directors reviews and agrees policies for managing each of these risks which are summarised below:

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. The majority of our assets are located in India where the Indian rupee is the functional currency. Currency exposures also exist in the nature of revenue expenditure and services denominated in currencies other than the Indian Rupee.

Foreign currency exposures are normally unhedged.

The carrying amount of the Company's financial assets and liabilities in different currencies are as follows:

Particulars of Unhedged foreign Currency Exposure :

Particulars	AS AT	
	31 March 2018	31 March 2018
Trade Receivables	76,29,909	20,77,946
	\$1,17,303.64	\$32,047.98

The Company's exposure to foreign currency arises where a Company holds monetary assets denominated in a currency different to the functional currency with US dollar being the major foreign currency exposure. Set out below is the impact of a 5% change in the US dollar on profit and equity arising as a result of the revaluation of the Company's foreign currency financial instruments:

31st March 2018	Closing exchange rate	Effect of 5% strengthening of US \$ on net earnings	Effect of 5% strengthening of US \$ on total equity
Indian Rupee	65.0441	80,11,405	80,11,405

31st March 2017	Closing exchange rate	Effect of 5% strengthening of US \$ on net earnings	Effect of 5% strengthening of US \$ on total equity
Indian Rupee	64.8386	21,81,843	21,81,843

Credit risk analysis

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily for trade and other receivables) and from its financing activities, including short-term deposits with banks and financial institutions, and other financial assets.

The carrying value of financial assets represents the maximum exposure for credit risk. The maximum exposure to credit risk of each class of financial assets at the reporting date was as follows:

Particulars	Carrying Value as at		
	31 March 2018	31 March 2017	31 March 2016
Investment in Subsidiary	33,81,120	33,81,120	33,81,120
Trade receivables	1,00,09,424	54,04,240	66,84,005
Short term deposits with banks	1,28,58,642	2,89,92,648	2,60,16,485
Loans	61,38,017	61,84,253	63,28,672

The credit worthiness of customers / subsidiaries to which the Company grants credit in the normal course of the business is monitored regularly. The credit risk for liquid funds and other short-term financial assets is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

Liquidity risk analysis:

The Company's main source of liquidity is its operating businesses. The treasury department uses regular forecasts of operational cash flow, investment and trading collateral requirements to ensure that sufficient liquid cash balances are available to service on-going business requirements. The Company manages its liquidity needs by carefully monitoring cash-outflows due in day-to-day business. Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 90 day projection. Long-term liquidity needs for a 90 day and a 30 day lookout period are identified monthly.

The Company requires funds both for short-term operational needs as well as for long-term investment programmes:

The following is an analysis of the Company contractual undiscounted cash flows payable under financial liabilities at 31 March 2018:

	Current	Non-Current		Total
	Within 12 months	1-5 years	Later than 5 years	
Trade and Other Payables	15,55,293	-	-	15,55,293
Other Financial Liabilities	88,36,676	-	-	88,36,676
Total	1,03,91,970	-	-	1,03,91,970

The following is an analysis of the Company contractual undiscounted cash flows payable under financial liabilities at 31 March 2017:

	Current	Non-Current		Total
	Within 12 months	1-5 years	Later than 5 years	
Trade and Other Payables	27,93,475	-	-	27,93,475
Other Financial Liabilities	64,96,529	-	-	64,96,529
Total	92,90,004			92,90,004

The following is an analysis of the Company contractual undiscounted cash flows payable under financial liabilities at 31 March 2016:

	Current	Non-Current		Total
	Within 12 months	1-5 years	Later than 5 years	
Trade and Other Payables	31,58,830	-	-	31,58,830
Other Financial Liabilities	61,06,109	-	-	61,06,109
Total	92,64,939			92,64,939

27 Financial Instruments

Carrying amounts versus fair values

The fair values of financial assets and financial liabilities, together with the carrying amounts in the statement of financial position are as follows:

	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
	31-03-2018	31-03-2018	31-03-2017	31-03-2017	31-03-2016	31-03-2016
Non- current financial assets						
Investment in subsidiary, at cost	33,81,120	33,81,120	33,81,120	33,81,120	33,81,120	33,81,120
Loans	60,00,000	60,00,000	60,00,000	60,00,000	60,00,000	60,00,000
Total Non-Current	93,81,120	93,81,120	93,81,120	93,81,120	93,81,120	93,81,120
Current financial assets						
Current Investments -						
Liquid Mutual Fund Units	6,13,35,304	6,13,35,304	3,24,68,168	3,24,68,168	2,30,79,994	2,30,79,994
Trade Receivables	1,00,09,424	1,00,09,424	54,04,240	54,04,240	66,84,005	66,84,005
Cash and Cash Equivalents	27,36,095	27,36,095	64,21,226	64,21,226	47,12,287	47,12,287
Bank Balances other than above	1,28,58,642	1,28,58,642	2,89,92,648	2,89,92,648	2,60,16,485	2,60,16,485
Loans	1,38,017	1,38,017	1,84,253	1,84,253	3,28,672	3,28,672
Total Current	8,70,77,483	8,70,77,483	7,34,70,535	7,34,70,535	6,08,21,443	6,08,21,443
Total	9,64,58,603	9,64,58,603	8,28,51,655	8,28,51,655	7,02,02,563	7,02,02,563
Non-current Financial Liabilities						
	-	-	-	-	-	-
Total Non-current	-	-	-	-	-	-
Current Financial Liabilities						
Trade Payables	15,55,293	15,55,293	27,93,475	27,93,475	31,58,830	31,58,830
Total Current	15,55,293	15,55,293	27,93,475	27,93,475	31,58,830	31,58,830
Total	15,55,293	15,55,293	27,93,475	27,93,475	31,58,830	31,58,830

28 Fair value hierarchy

The table below analyses recurring fair value measurements for financial assets and financial liabilities. These fair value measurements are categorised in to different levels in the fair value hierarchy based on the inputs to valuation techniques used. The different levels are defined as follows:

Level 1 : quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 : inputs other than quoted prices that is observable for the asset or liability, either directly or indirectly.

Level 3 : valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

31 March 2018	Level I	Level II	Level III	Total
Financial assets measured at fair value				
Current Investments - Liquid Mutual Fund Units	6,13,35,304	-	-	6,13,35,304
Total	6,13,35,304	-	-	6,13,35,304
Financial liabilities measured at fair value				
Total	-	-	-	-

The Company recognises transfers between levels of the fair value hierarchy as of the end of the reporting year during which the transfer has occurred. During the year ended 31 March 2018, there were no transfers between Level I, Level II and Level III fair value measurements.

31 March 2017	Level I	Level II	Level III	Total
Financial assets measured at fair value				
Current Investments - Liquid Mutual Fund Units	3,24,68,168	-	-	3,24,68,168
Total	3,24,68,168	-	-	3,24,68,168
Financial liabilities measured at fair value				
Total	-	-	-	-

The Company recognises transfers between levels of the fair value hierarchy as of the end of the reporting year during which the transfer has occurred. During the year ended 31 March 2017, there were no transfers between Level I, Level II and Level III fair value measurements.

31 March 2016	Level I	Level II	Level III	Total
Financial assets measured at fair value				
Current Investments - Liquid Mutual Fund Units	2,30,79,994	-	-	2,30,79,994
Total	2,30,79,994	-	-	2,30,79,994
Financial liabilities measured at fair value				
Total	-	-	-	-

The Company recognises transfers between levels of the fair value hierarchy as of the end of the reporting year during which the transfer has occurred. During the year ended 31 March 2016, there were no transfers between Level I, Level II and Level III fair value measurements.

The fair value of liquid mutual funds is based on quoted price

29 Contingent Liabilities and Capital Commitments :

Details of all cases pending

Name of the Statue	Nature of dues	Amount to the extent Not paid (in Rs.)	Period to which the amount relates Financial Year	Form where dispute is pending
Commercial tax department Govt of Telangana	Sales tax	57,997	2012-13	Telangana Sales tax and VAT Appellate Tribunal

30 Earnings in Foreign Exchange during the Year (on receipt basis)

<u>Particulars</u>	<u>March 31, 2018</u>	<u>March 31, 2017</u>
Software Services	3,53,12,611	3,77,64,066

31 Expenditure in Foreign Currency (on payment basis)

<u>Particulars</u>	<u>March 31, 2018</u>	<u>March 31, 2017</u>
Foreign-Travelling Exps	3,89,051	79,310

32 Disclosure is made as per the requirement of the Accounting Standard 18 on related Party Transactions during the Year:

i) List of Related Parties

a) Parties where control exist

Name of the party	Relation
B2B Softech Inc.	Subsidiary Company

b) Key Managerial Person (KMP)

Name of the party	Relation
Dr. Ram Nemani	CEO & Director
V.V.Nagendra	Executive Director
V. Bala Subramanyam	Executive Director
Sunil Nemani	CFO

c) Parties where key managerial person has significant influence

Name of the party	KMP	Relation of KMP
Genious Doc Inc	Dr. Ramachandra Rao Nemani	Director

ii) Transactions during the year

<u>Name of the Related party</u>	<u>March 31, 2018</u>	<u>March 31, 2017</u>
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(a) With Genius Doc Inc

Export of Software Services	2,94,56,504	2,62,49,516
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(b) With Key Management Personnel

Managerial Remuneration	54,93,565	44,22,502
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iii) Balances Outstanding at the Year End

<u>Name of the Related party</u>	<u>March 31, 2018</u>	<u>March 31, 2017</u>
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(a) With Genius Doc Inc

Receivables	75,83,647	20,77,995
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(b) With Key Management Personnel

Managerial Remuneration	5,00,000	3,17,960
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33 Earning/(loss) Per Share as per Accounting Standard 20

The Computation of EPS as per AS 20 is set out below:

	<u>March 31, 2018</u>	<u>March 31, 2017</u>
Profit/ (Loss) after Tax	85,62,973	1,17,92,434
Weighted average number of equity shares	1,15,85,400	1,15,85,400
Basic and diluted Earning Per Share	0.74	1.02
(Nominal value of equity shares: Rs. 10 each)		

34 Investment in Mutual Funds of Unit Trust of India, Aditya Birla Sun Life Insurance & ICICI Prudential

	<u>March 31, 2018</u>	<u>March 31, 2017</u>
	Amount	Amount
Opening Balance	3,24,68,168	2,30,79,994
Add: Purchases	3,30,77,908	1,18,88,173
Less: Sale	42,10,771	25,00,000
Closing Balance	6,13,35,304	3,24,68,168

* Net Asset Value as on 31.03.2018 is Rs 613,35,304/-

- 35 The Company has received Rs.12,92,636/- (equivalent to Euros 20,000) during the financial year 2009-10 towards advance for the sale of 80% shareholding in its wholly owned subsidiary B2B Technologies Kassel GmbH. The shares have not been transferred pending approval from RBI. The company has made a provision of Rs. 39,37,554 towards loss on sale of investment and a provision for Rs.13,07,549 for diminution in the value of investment.
- 36 The Wholly Owned Subsidiaries of the company at Malaysia, B2B Infotech SDN BHD and at Singapore, B2B Infotech Pte Ltd are under liquidation. The Company has made a provision for diminution in the value of investment to the extent of 100% of the carrying amount.
- 37 The Company is primarily engaged in Information Technology and related services. There are no other reportable segments in terms of Indian Accounting Standard 108 on Segment Reporting issued by the The Institute of Chartered Accountants of India.
- 38 Deferred tax asset/liability is not determined and accounted as per Accounting Standard-22 issued by ICAI as the related benefits on tax losses are considered virtually uncertain.

39 Employee Benefits

During the year the company has made a provision of Rs.19,03,126/- for gratuity based on Actuarial Valuation. The company has not created any assets to meet this obligation. Disclosure as required by Indian Accounting Standard - 19 'Employee Benefits'

	Particulars	March 31, 2018	March 31, 2017
1	Changes in Present Value of Obligation		
	Present value of obligation as at the beginning of the year	70,06,056	57,83,821
	Interest Cost	4,90,424	4,62,706
	Current service cost	38,82,930	1,15,676
	Actuarial gain/(loss) on obligations	(23,72,194)	17,85,027
	Benefits paid	(98,034)	(11,41,174)
	Present value of obligations at the end of the year	89,09,182	70,06,056
2	Changes in Fair Value of Plan Assets		
	Fair value of plan assets at the beginning of the year		
	Expected return on plan assets	-	-
	Contributions	-	-
	Benefits Paid	-	-
	Actuarial gain/(loss) on plan assets	-	-
	Fair value of plan assets at the end of the year	-	-
3	Liability Recognised in Balance Sheet		
	Present value of obligation as at the end of the year	89,09,182	70,06,056
	Fair value of plan assets at the end of the year	-	-
	Funded Status	89,09,182	70,06,056
	Net asset/(liability) recognised in balance sheet	89,09,182	70,06,056
4	Bifurcation of Net Liability		
	Current Liability (Short-term)	-	-
	Non - Current Liability (Long-term)	89,09,182	70,06,056
	Net Liability	89,09,182	70,06,056
5	Expenses Recognised in Statement of Profit & Loss		
	Current service cost	38,82,930	1,15,676
	Past Service Cost	-	-
	Interest Cost	4,90,424	4,62,706
	Expected Return on plan assets	-	-
	Expenses recognised in the Income Statement	43,73,354	5,78,382
	Other Comprehensive Income		
	Actuarial gain/(loss) on Obligations - Change in Demographic assumptions	-	-
	Actuarial gain/(loss) on Obligations - Change in Financial assumptions	11,13,865	-
	Actuarial gain/(loss) on Obligations - Experience variance (Actual experience vs assumptions)	12,58,330	-
	Total Actuarial gain/ (loss) on obligations	23,72,195	17,85,027
	Actuarial gain/ (loss) on Plan assets	-	-
	Total Other Comprehensive Income	23,72,195	17,85,027
	Assumptions		
	Discount	7%	7%
	Escalation	6%	6%

Auditors' Report on Consolidated Financial Statements

The Board of Directors

M/s B2B Software Technologies Limited.

Report on the Consolidated Ind AS Financial Statements.

We have audited the accompanying consolidated Ind AS financial statements of M/s B2B Software Technologies Limited ('herein referred to as "the Holding Company") and its subsidiary (collectively referred to as 'the Company' or 'the Group') comprising of the Consolidated Balance Sheet as at 31st March 2018, the consolidated statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flows and the Consolidated Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information, (hereinafter referred to as 'the consolidated Ind AS Financial Statements').

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income and consolidated cash flows and consolidated changes in equity of the Group 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 Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Holding Company's preparation and fair presentation of the consolidated Ind AS financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Holding Company's management, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS

- i. In the case of consolidated Balance sheet, of the financial position of the B2B Software Technologies Limited as at March 31, 2018;
- ii. In the case of consolidated Statement of Profit and Loss, of the Profit including other comprehensive income for year ended on that date; and

- iii. In the case of consolidated Cash Flow Statement, of the cash flows for the year ended on that date.
- iv. In the Case of Consolidated Changes in Equity, of the Changes in Equity for the year ended on that date.

Other Matters

We did not audit the financial statements of subsidiary namely, B2B softech Inc., whose financial statements reflect total assets of Rs.47.87 Lakhs as at 31st March 2018, total revenue of Rs.319.24 Lakhs. The financial statements and other information of the subsidiary have been audited by other auditors whose reports have been furnished to us and in our opinion, in so far it relates to amounts included in respect of this subsidiary are based solely on the report of other auditors.

Our opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated Ind AS financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flows and Consolidated Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.
 - d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 6 and 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2018 taken on record by the Board of Directors of the Holding Company, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and its subsidiary company and the operating effectiveness of such controls, refer to our Separate report in 'Annexure'; 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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Group does not have any pending litigations which would impact its financial position.
 - ii. The Group 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 Group.

For Umamaheswara Rao & Co.,
Chartered Accountants

(R R. Dakshinamurthy)
Partner
M No 211639 FRN 004453S

Place: Hyderabad
Date: 28-05-2018

Annexure - A to the Auditors' Report**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended 31 March 2018, we have audited the internal financial controls over financial reporting of B2B Software Technologies Limited ("the Holding Company") and its subsidiary companies which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The Respective Board of Directors of the Holding Company and its subsidiary companies, which are companies incorporated in India, are 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 Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, 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 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For Umamaheswara Rao & Co.,
Chartered Accountants

(R R. Dakshinamurthy)
Partner
M No 211639 FRN 004453S

Place: Hyderabad
Date: 28-05-2018

Consolidated Balance Sheet as at March 31, 2018
(All amounts in Indian Rupees, except share data and where otherwise stated)

Particulars	Note No.	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
I. ASSETS				
1. Non-current assets				
(a) Property, Plant and Equipment	3	21,98,315	24,55,001	25,95,642
(b) Intangible assets	4	1,353	1,969	2,869
(c) Financial Assets				
(i) Investments	5	-	-	-
(ii) Loans	6	60,00,000	60,00,000	60,00,000
(iii) Other financial assets				
(d) Deferred tax assets (net)				
(e) Other non-current assets	7	7,46,713	7,46,713	7,46,713
		89,46,381	92,03,683	93,45,224
2. Current assets				
(a) Inventories	8	3,32,526	4,16,460	4,47,903
(b) Financial Assets				
(i) Current Investments	9	6,13,35,304	3,24,68,168	2,30,79,994
(ii) Trade receivables	10	1,00,09,424	54,04,240	66,84,005
(iii) Cash and cash equivalents	11	75,23,081	1,11,26,565	1,21,72,283
(iv) Bank balances other than (iii) above	12	1,28,58,642	2,89,92,648	2,60,16,485
(v) Loans	13	1,38,017	1,84,253	3,28,672
(vi) Other financial assets				
(c) Current tax assets (Net)				
(d) Other current assets	14	69,67,283	54,03,781	48,26,408
		9,91,64,277	8,39,96,115	7,35,55,751
3. Non-current assets held for sale				
Total Assets		10,81,10,658	9,31,99,797	8,29,00,974
II. Equity and Liabilities				
A. Equity				
(a) Equity share capital	15	11,59,31,000	11,59,31,000	11,59,31,000
(b) Other equity		(3,04,48,586)	(3,90,93,207)	(5,07,20,222)
		8,54,82,414	7,68,37,793	6,52,10,778
B. LIABILITIES				
1. Non-current liabilities				
(a) Financial liabilities		-	-	-
(i) Borrowings		-	-	-
(ii) Other financial liabilities		-	-	-
(b) Provisions		-	-	-
(c) Other non-current liabilities		-	-	-
2. Current liabilities				
(a) Financial liabilities				
(i) Borrowings				
(ii) Trade payables	16	15,55,293	27,93,475	57,48,068
(iii) Other financial liabilities				
(b) Other current liabilities	17	88,36,676	64,96,529	61,06,109
(c) Short-term provisions	18	1,22,36,274	70,72,000	58,36,020
(d) Current tax liabilities (Net)				
		2,26,28,244	1,63,62,004	1,76,90,197
Total Equity and Liabilities		10,81,10,659	9,31,99,797	8,29,00,975

See accompanying notes to the financial statements

As per our report of even date
For Umamaheswara Rao & Co.,
Chartered Accountants
Firm Registration No: 004453S

R.R.Dakshinamurthy
Partner
Membership No: 211639
Hyderabad
Date : 28-05-2018

V.Bala Subramanyam
Executive Director
DIN : 06399503

Sunil Nemani
Chief Financial Officer

For and on behalf of the Board

V.V. Nagendra
Executive Director
DIN : 00231729

Dr. Ramachandra Rao Nemani
CEO & Director
DIN: 01131212

Consolidated Profit and Loss Account for the Year ended March 31, 2018*(All amounts in Indian Rupees, except share data and where otherwise stated)*

Particulars	Note No	As at	As at
		31.03.2018	31.03.2017
I. Revenue from Operations	19	10,90,22,510	10,12,34,964
II. Other income	20	43,89,220	40,66,009
III. Total revenue (I+II)		11,34,11,730	10,53,00,973
IV. Expenses			
(a) Purchases of Software Products	21	62,57,360	76,31,320
(b) Changes in Inventory - WIP		83,934	31,443
(c) Employee benefit expenses	22	8,28,79,014	7,06,39,312
(d) Administrative and other expenses	23	1,30,74,334	1,19,11,930
(e) Depreciation and amortization expense		12,06,971	15,65,807
Total expenses		10,35,01,614	9,17,79,811
V. Profit/(Loss) before exceptional items and tax (III - IV)		99,10,116	1,35,21,162
VI. Exceptional items		-	-
VII. Profit/(Loss) before tax (V - VI)		99,10,116	1,35,21,162
VIII. Tax expense / (income)			
Current tax		32,52,692	-
Earlier year taxes		4,00,044	-
Deferred Tax		-	-
Total tax expenses		36,52,736	
IX. Profit for the period / year (VII-VIII)		62,57,380	1,35,21,162
Other Comprehensive Income			
A. Items that will not be reclassified to Profit or (Loss)	24	23,72,194	(17,85,000)
Income tax relating to items that will not be reclassified to profit or loss			
B. Items that will be reclassified to Profit or Loss			
Income tax relating to items that will be reclassified to profit or loss			
		23,72,194	(17,85,000)
Total Comprehensive Income for the period (Comprising Profit (Loss) and Other Comprehensive Income for the period)		86,29,574	1,17,36,162
Earnings per share-par value of `10 per share			
Class A - Basic and diluted		0.744	1.012
See accompanying notes to financial statements			

As per our report of even date
For Umamaheswara Rao & Co.,
Chartered Accountants
Firm Registration No: 004453S

R.R.Dakshinamurthy
Partner
Membership No: 211639
Hyderabad
Date : 28-05-2018

V.Bala Subramanyam
Executive Director
DIN : 06399503

Sunil Nemani
Chief Financial Officer

For and on behalf of the Board

V.V. Nagendra
Executive Director
DIN : 00231729

Dr. Ramachandra Rao Nemani
CEO & Director
DIN: 01131212

Consolidated Cash Flow Statement for the year ended March 31, 2018
(All amounts in Indian Rupees, except share data and where otherwise stated)

Particulars	31.03.2018	31.03.2017
A. Cash Flows from Operating Activities		
Net profit/(loss) before tax	86,29,574	1,17,36,161
Adjustments for :		
Depreciation	12,06,971	15,65,807
Income from Investment - Dividends	(28,93,723)	(23,27,695)
Interest on Fixed Deposit	(17,12,717)	(20,92,184)
Exchange differences on translation of foreign currency cash and cash equivalents	3,33,360	5,45,260
Loss on Sale of Fixed Assets	767	3,353
	55,64,232	94,30,702
Operating profit before working capital changes		
Adjustments for changes in working capital :		
(Increase)/Decrease in Work in Progress	83,934	31,443
(Increase)/Decrease in Accounts Receivables	(46,05,184)	12,79,765
(Increase)/Decrease in Loans and Advances	46,236	(4,32,954)
(Increase)/Decrease in Other Current assets	(15,63,502)	-
Increase / (Decrease) in Trade and Other Payables	(12,38,182)	(25,64,173)
Increase / (Decrease) in Other Current Liabilities	23,40,147	-
Increase / (Decrease) in Short term provisions	51,64,274	12,35,980
	57,91,956	89,80,763
Cash generated from operations		
Less: Taxes Paid	-	-
Interest received from Fixed Deposit	17,12,717	20,92,184
Net Cash from/(used in) Operating Activities	75,04,673	1,10,72,947
B. Cash Flows from Investing Activities		
Purchase of Fixed Assets	(9,73,826)	(14,30,619)
Sale of Fixed Assets	23,390	3,000
Purchase of Mutual Funds	(3,30,77,908)	(1,18,88,173)
Sale of Mutual Funds	42,10,771	25,00,000
Decrease in Long Term Loans & Advances	-	-
Income from Investment - Dividends	28,93,723	23,27,695
Net Cash used in Investing Activities	(2,69,23,849)	(84,88,098)
C. Cash Flows from Financing Activities		
Increase/(Decrease) in Secured Loans	-	-
Interest paid	-	-
Net Cash from/(used in) Financing Activities	-	-
D. Exchange differences on translation of foreign currency cash and cash equivalents		
	(3,18,317)	(6,54,404)
Net Increase in Cash and Cash equivalents during the year (A+B+C+D)	(1,97,37,493)	19,30,446
Cash and Cash equivalents at the beginning of the year	4,01,19,214	3,81,88,768
Cash and Cash equivalents at the end of the year	2,03,81,723	4,01,19,214

As per our report of even date
For Umamaheswara Rao & Co.,
Chartered Accountants
Firm Registration No: 004453S

For and on behalf of the Board

R.R.Dakshinamurthy
Partner
Membership No: 211639

V.Bala Subramanyam
Executive Director
DIN : 06399503

V.V. Nagendra
Executive Director
DIN : 00231729

Hyderabad
Date : 28-05-2018

Sunil Nemani
Chief Financial Officer

Dr. Ramachandra Rao Nemani
CEO & Director
DIN: 01131212

Notes to Consolidated Financial Statements*(All amounts in Indian Rupees, except share data and where otherwise stated)***Company overview and significant accounting policies****1 Company Overview**

B2B Software Technologies ("the Company") is one of the most prominent and competent Microsoft Dynamics Navision Solution Center of Microsoft Dynamics and the number one partner in Telangana, India. The team of Microsoft Dynamics NAV 2009 certified consultants has carried out successful implementations across various industry segments. Our customers include end-user companies as well as other solution centers in Europe, USA, Australia and Asian markets, for whom we undertake the off-shore / onsite solution development

B2B Software Technologies together with its subsidiaries is hereinafter referred to as 'the Group'.

The Company is a public limited company incorporated and domiciled in India and has its registered office in Hyderabad, Telangana, India. The Company has its primary listings on the BSE Limited.

The Group's consolidated financial statements are approved for issue by the Company's Board of Directors on May 28, 2018.

2 Significant Accounting Policies**2.1 Basis of preparation of financial statements**

These Consolidated Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except certain financial instruments which are measured at fair values, the provisions of Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the act read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 and other pronouncements of the Institute of Chartered Accountants of India (ICAI) to the extent applicable.

The Group has adopted all Ind AS and adoption was carried out in accordance with Ind AS 101, First-time adoption of Indian Accounting Standards. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, Read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was previous GAAP. Reconciliations & descriptions of the effect of the transition have been summarised in Note No 25

Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

As the quarterly and yearly figures are taken from the source and rounded to the nearest digits, the figures already reported for all the quarters during the year might not always add up to the year figures reported in this statement.

2.2 Basis for Consolidation

B2B Software Technologies consolidates entities which it owns or controls. The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as disclosed as under. Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the date control commences until the date control ceases.

Subsidiary Companies

Name of the Company	Principal activities	The Company's economic percentage holding		Principal place of business	Immediate parent holding	
		31-03-2018	31-03-2017		31-03-2018	31-03-2017
B2B Softech. Inc.	Software Consultancy Services	100%	100%	USA	100%	100%

The financial statements of the Group companies are consolidated on a line-by-line basis and intra-group balances and transactions, including unrealized gain / loss from such transactions, are eliminated upon consolidation. These financial statements are prepared by applying uniform accounting policies in use at the Group.

2.3 Use of estimates

The Preparation of financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions which effects the application of accounting policies and the reported amounts of assets and liabilities and the disclosure of contingent assets and contingent liabilities at the date of financial statements and the reported amounts of revenue and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgements and use of assumptions in these financial statements have been disclosed in Note No 2.3 & 2.21. Accounting estimates could change from time to time. Actual results could differ from the estimates. Appropriate changes in estimates are made as the Management becomes aware of the changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

2.4 Critical accounting estimates

a. Revenue Recognition

The Group uses the percentage of completion method in the accounting for time bound fixed price arrangements. The use of the percentage completion method requires the Group to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship input & productivity. Provision for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting period.

2.5 Cash flow statement:

Cash flows are reported using the indirect method, where by the net profit before tax for the period is adjusted for the effects of transactions of a non cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated and presented separately.

2.6 Revenue recognition:

The Group derives revenues primarily from Consultancy services and sale of Software products. Arrangements with Customers for consultancy services are either on time bound fixed-price or time and material basis.

In respect of Time and Material Contracts, revenue is recognised as and when the services are performed. In respect of time bound fixed-price engagements, where there is no uncertainty as to measurement or collectability of consideration, is recognised using the percentage of completion method of accounting, unless work completed cannot be reasonably estimated. When there is uncertainty as to the measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended have been used to measure the progress towards the completion as there is a direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the current contract estimates. The cumulative impact of any revision in estimates of the percentage of work completed is reflected in the period in which the change becomes known.

In respect of Sale of software products, revenue is recognised on transfer of ownership to the customers.

Interest income is recognised on time proportion basis taking into account the amount outstanding and at the rate applicable.

2.7 Property, Plant and Equipment:

Property, Plant and Equipment are stated at cost of acquisition less accumulated depreciation and impairment, if any. Cost of acquisition is inclusive of freight, duties, levies and all incidentals directly or indirectly attributable to bringing the asset to its working condition for ready to use, as intended by management. The cost of fixed assets includes cost of initial warranty/ insurance spares purchased along with the capital asset, which are grouped as single item under respective assets. The Group depreciates property, plant and equipment over their estimated useful lives using written down value method. The estimated useful lives of the assets are taken as per Schedule II to the Companies act, 2013.

Depreciation has been provided in the manner specified in Schedule II of the Companies Act, 2013 except for assets costing up to Rs. 5,000/-, which are fully depreciated in the year of capitalization. Depreciation is calculated on a pro-rata basis from the date of installation till the date the assets are sold or disposed.

Repairs and maintenance costs are recognised in the Statement of profit and loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognised in the Statement of Profit and Loss. Assets to be disposed of are reported at the lower of the carrying value or the fair value less cost to sell.

2.8 Intangible Assets:

The Group owns Copy Rights relating to its service business and stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on written down value method.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

2.9 Foreign currency transactions :

Functional Currency:

The functional currency of the B2B Software Technologies Limited is Indian Rupee. The functional currency of B2B Softech Inc. Is US Dollar.

Transactions & Translations

Foreign currency transactions are initially recorded at the rates of exchange ruling at the date of transaction.

Transactions in foreign currencies are translated into the functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into functional currency at the foreign exchange rate ruling at that date.

Differences arising on settlement or translation of monetary items are recognised in the statement of profit and loss.

The translation of financial statements of the foreign subsidiaries to the presentation currency is performed for assets and liabilities using the exchange rate in effect at the Balance Sheet date and for revenue, expense and cash-flow items using the average exchange rate for the respective periods. The gains or losses resulting from such translation are included in currency translation reserves under other components of equity. When a subsidiary is disposed of, in full, the relevant amount is transferred to net profit in the Statement of Profit and Loss.

2.10 Financial Instruments

2.10.1 Initial recognition

The Group recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

2.10.2 Subsequent recognition

a. Financial Assets

i. Financial Assets carried at amortised cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is 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."

ii. Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by 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. Further, in cases where the Group has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

iii. Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories is subsequently fair valued through profit or loss.

b. Financial Liabilities

Financial liabilities are subsequently carried at amortized cost. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

c. Offsetting of financial instruments

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

d. Share Capital

Ordinary Shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares and share options are recognized as a deduction from equity, net of any tax effects.

2.10.3 Derecognition of financial instruments

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expires or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Group's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

2.11 Fair Value Measurement

The fair value of financial instruments that are actively traded in organised financial markets is determined by reference to quoted market bid prices at the close of business on the reporting date. For financial instruments where there is no active market, fair value is determined using valuation techniques. Such techniques may include using recent arm's length market transactions; reference to the current fair value of another instrument that is substantially the same; discounted cash flow analysis or other valuation models.

Refer to Note 2.12 in for the disclosure on carrying value and fair value of financial assets and liabilities. For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amounts approximate fair value due to the short maturity of these instruments.

2.12 Impairment of non-Financial Assets

(i) Intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

2.13 Earnings per Equity Share

Basic earnings per share are computed by dividing the net profit or loss after tax attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share are computed by dividing the net profit attributable to the equity holders of the Group by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon 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. In computing the dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

2.14 Income Taxes

Income Tax expense comprises current and deferred income tax

a. Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date. Tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit and loss.

b. Deferred income tax

Deferred tax asset/liability is not determined and accounted as per Indian Accounting Standard-12 issued by ICAI as the related benefits on tax losses are considered virtually uncertain.

c. MAT Credit

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the specified period. In the year in which the Minimum Alternative tax (MAT) credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the profit and loss account and shown as MAT Credit Entitlement. The Group reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Group will pay normal Income Tax during the specified period.

2.15 Employee Benefits

a. Gratuity

The Group provides for gratuity, a defined benefit plan covering eligible employees. The contributions made by the Group to the scheme are recognised in Statement of Profit and Loss. The liability recognised in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the Balance Sheet date less the fair value of plan assets. The calculation of the Group's obligation under the plan is performed annually by qualified independent actuary using the projected unit credit method. Actuarial gains and losses arising during the year are immediately recognised in the statement of profit and loss."

b. Provident Fund

Eligible employees of Group receive benefits from a provident fund, which is a defined contribution. Both the employee and the Group make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary and the employer contribution is charged to statement of profit and loss. The benefits are contributed to the government administered provident fund, which is paid directly to the concerned employee by the fund. The Group has no further obligation to the plan beyond its monthly contributions.

c. ESI

In addition, some employees of the Group are covered under "Employees State Insurance Scheme Act 1948", which are also defined contribution schemes recognized and administered by Government of India.

The Group's contributions to these schemes are recognized as expense in statement of profit and loss during the period in which the employee renders the related service. The Group has no further obligation under these plans beyond its monthly contributions.

2.16 Other Income

Other income is comprised primarily of interest income, dividend income, gain/loss on investments and exchange gain/loss on translations. Interest income is recognized using the effective interest method. Dividend income is recognized when the right to receive payment is established.

2.17 Inventory

Work in Progress is valued at cost or rate assured under a contract whichever is lower.

2.18 Investments

Current investments are carried at the lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investment.

2.19 Leases:

Lease payments under operating leases are recognized as an expense on a straight-line basis in net profit in the Statement of Profit and Loss over the lease term.

2.20 Provisions and contingencies

The Group recognises a provision when there is a present obligation as a result of past obligating event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made. Provisions for onerous contracts i.e. contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognized when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

2.21 Significant accounting judgements, estimates and assumptions Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with IND AS requires management to make certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

The principal accounting policies adopted by the Group in the financial statements are as set out above. The application of a number of these policies required the Group to use a variety of estimation techniques and apply judgment to best reflect the substance of underlying transactions.

The Group has determined that a number of its accounting policies can be considered significant, in terms of the management judgment that has been required to determine the various assumptions underpinning their application in the financial statements presented which, under different conditions, could lead to material differences in these statements.

The policies where significant estimates and judgments have been made are as follows:

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustments to the carrying amounts of assets and liabilities within the next financial year are discussed below:

- **Estimation of fair value of acquired financial assets and financial liabilities:** When the fair value of financial assets and financial liabilities recorded in the Balance sheet cannot be derived from active markets, their fair value is determined using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. The judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.
- **Un-collectability of trade receivables:** Analysis of 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. Further recoverability of various claims as per power purchase agreement including change in law claim are subject to adjudicate at appropriate regulatory authorities.
- **Taxes:** Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Group establishes provisions, based on reasonable estimates, for possible consequences of assessment by the tax authorities. The amount of such provisions is based on various factors, such as experience of previous tax assessment and differing interpretations of tax laws by the taxable entity and the responsible tax authority. The Group assesses the probability for litigation and subsequent cash outflow with respect to taxes.
- **Gratuity benefits:** The cost of defined benefit plans and the present value of the obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Actual results can differ from estimates.

Statement of Changes in Equity for the year ended 31 March 2017

(All amounts in Indian Rupees, except share data and where otherwise stated)

A. Equity Share Capital

Particulars	Balance as at April 1, 2016	Changes in equity share capital during the period	Balance as at March 31, 2017
Equity Share Capital	11,58,54,000	-	11,58,54,000
Forfeiture of Shares	77,000		77,000
Total	11,59,31,000	-	11,59,31,000

B. Other Equity

Particulars	Reserves and Surplus			Other items of Other Comprehensive Income - Actuarial gains / (losses)	Exchange differences on translating the financial statements of a foreign operation	Money received against share warrants	Total
	Capital Reserve	Securities Premium Reserve	Retained Earnings				
Balance as at 1 April 2016	-	-	(5,21,16,210)	-	13,97,523	-	(5,07,18,687)
Total Comprehensive Income for the period	-	-	1,35,21,161	(17,85,000)	(1,10,681)	-	1,16,25,480
Dividends	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-
Issue of shares	-	-	-	-	-	-	-
Transfer of premium on preference shares to reserves	-	-	-	-	-	-	-
Balance as at 31 March 2017	-	-	(3,85,95,049)	(17,85,000)	12,86,842	-	(3,90,93,207)

Condensed Statement of Changes in Equity for the year ended 31 March 2018

(All amounts in Indian Rupees, except share data and where otherwise stated)

A. Equity Share Capital

Particulars	Balance as at April 1, 2017	Changes in equity share capital during the period	Balance as at March 31, 2018
Equity Share Capital	11,58,54,000	-	11,58,54,000
Forfeiture of Shares	77,000		77,000
Total	11,59,31,000	-	11,59,31,000

B. Other Equity

Particulars	Reserves and Surplus			Other items of Other Comprehensive Income - Actuarial gains / (losses)	Exchange differences on translating the financial statements of a foreign operation	Money received against share warrants	Total
	Capital Reserve	Securities Premium Reserve	Retained Earnings				
Balance as at 1 April 2017	-	-	(3,85,95,322)	(17,85,000)	12,86,842	-	(3,90,93,480)
Total Comprehensive Income for the period	-	-	62,57,380	23,72,194	15,320	-	86,44,894
Transfer to capital reserve	-	-	-	-	-	-	-
Balance as at 31 March 2018	-	-	(3,23,37,942)	5,87,194	13,02,162	-	(3,04,48,586)

Amount in Rupees

4. Intangible Assets

6	Copy Rights	18,600	-	-	18,600	16,631	616	17,247	1,353	1,969
									1,353	1,969
	Total	1,08,40,449	9,73,826	3,99,849	1,14,14,426	83,83,479	12,06,971	92,14,758	21,99,668	24,56,970

Notes to Consolidated Balance sheet as at 31st March 2018

(All amounts in Indian Rupees, except share data and where otherwise stated)

1. Nature of operations

B2B Software Technologies is one of the most prominent and competent Microsoft Dynamics Navision Solution Center of Microsoft Dynamics and the number one partner in Andhra Pradesh, India. The team of Microsoft Dynamics NAV 2009 certified consultants has carried out successful implementations across various industry segments. Our customers include end-user companies as well as other solution centers in Europe, USA, Australia and Asian markets, for whom we undertake the off-shore / onsite solution development.

2. Significant Accounting Policies

The financial results of the Company have been prepared in accordance with Indian Accounting Standards ("IND AS") notified under the Companies (Indian Accounting standards) rules 2015 as amended by Companies (Indian Accounting standards) (amendment) rules 2016. The Company adopted IND AS from 01 April 2017, and accordingly, these financial results (including for all the periods presented) have been prepared in accordance with the recognition and measurement principles in IND AS 34 - "Interim Financial Reporting" prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and the other accounting principles generally accepted in India. The Impact of transition has been accounted for in the opening reserves.

Particulars	As at	As at
	31.03.2018	31.03.2017
5 Investments (Unquoted, Investment in Equity shares) Other Investments		
B2B Infotech Pte Ltd 200,000 Equity Shares of Singapore Dollar 1 each, fully paid-up Less: Provision for Diminution in the Value of Investment	55,10,797 (55,10,797)	55,10,797 (55,10,797)
B2B Software Technologies Kassel GmbH (121,431 Euro) Advances for Addl investment in Subsidiary Companies - Pending allotment B2B Software Technologies Kassel GmbH - Euro 5556 Less: Advance received against sale of investment in subsidiary Less: Provision for Loss on Sale of Investment Less: Provision for Diminution in the Value of Investment	- 62,50,862 2,86,877 (12,92,636) (39,37,554) (13,07,549)	- 62,50,862 2,86,877 (12,92,636) (39,37,554) (13,07,549)
B2B Infotech SDN BHD (2,50,000 Equity Shares of Malaysian RM 1 each fully paid up) Less: Provision for Diminution in the Value of Investment	5,48,856 (5,48,856)	5,48,856 (5,48,856)
	-	-
	-	-
6 Loans (Unsecured and considered good) Loan to B2B ESOP Trust	60,00,000	60,00,000
	60,00,000	60,00,000
7 Other Non Current assets Security Deposits	7,46,713	7,46,713
	7,46,713	7,46,713
8 Inventories Work-In-Progress (As certified by the management)	3,32,526	4,16,460
	3,32,526	4,16,460
9 Investments (quoted, fully paidup) Aditya Birla Sun Life Mutual Fund ICICI Mutual Funds Total Quoted Current Investments	1,02,21,381 5,11,13,922 6,13,35,304	5,18,256 3,19,49,912 3,24,68,168

Particulars	As at	As at
	31.03.2018	31.03.2017
10 Trade Receivables (Unsecured and considered good)		
Debts outstanding for a period exceeding six months	45,42,029	-
Other debts	1,00,09,424	96,11,975
Less: Provision for Doubtful Debts	(45,42,029)	(42,07,735)
	1,00,09,424	54,04,240
11 Cash and Cash Equivalents		
Cash on hand	6,766	8,586
Balances with scheduled banks		
- On Current accounts	75,16,314	1,11,17,979
- On EEFC accounts	1	1
	75,23,081	1,11,26,565
12 Bank balances other than Cash and Cash equivalents <i>Balances with scheduled banks</i>		
- On Fixed Deposit accounts	1,28,58,642	2,89,92,648
	1,28,58,642	2,89,92,648
13 Loans (Unsecured and considered good)		
Advances recoverable in cash or in kind for value to be received	1,38,017	1,84,253
	1,38,017	1,84,253
14 Other Current assets		
IT Refund Due	48,06,432	45,38,432
Interest accrued but not due	4,17,959	8,65,349
Advance Income tax	7,50,000	-
Other Receivables	6,70,227	-
MAT Credit Entitlement	3,22,665	-
	69,67,283	54,03,781
15 Equity Share Capital		
(i) Share Capital		
Authorised Capital :		
1,20,00,000 (31st March 2017 : 1,20,00,000) Equity Shares of Rs.10 each	12,00,00,000	12,00,00,000
Issued, Subscribed and Paid up Capital :		
11,585,400 (31st March 2017 : 11,585,400) Equity Shares of Rs.10 each fully paid up	11,58,54,000	11,58,54,000
Add : Shares Forfeited (Paid up value Rs.77000/-)	77,000	77,000
	11,59,31,000	11,59,31,000
Notes:		
a) Details of Share Holders having more than 5% of Shares	No of Shares	No of Shares
1. Rama Chandra Rao Nemani	24,58,760	24,58,760
(% of holding)	21%	21%
2. Ravileela Granites Limited	15,11,000	15,11,000
(% of holding)	13%	13%
3. Ram Nemani Def. Ben. Pension Plan Trust	10,87,600	10,87,600
(% of holding)	9%	9%
4. Janakirama Varma Meka	10,85,270	10,85,270
(% of holding)	9%	9%
5. Penmetsa Satyavati Varma	6,62,400	6,62,400
(% of holding)	6%	6%
6. B2B ESOP Trust	6,00,000	6,00,000
(% of holding)	5%	5%
b) Reconciliation of number of Shares outstanding		
Opening Balance of Shares	1,15,85,400	1,15,85,400
Add: Shares Issued during the year	-	-
Less: Buyback/ forfeited of shares during the year	-	-
Closing Balance of Shares	1,15,85,400	1,15,85,400

Particulars	As at	As at
	31.03.2018	31.03.2017
16 Trade Payables (Unsecured and considered good) Dues to other than micro and small enterprises	15,55,293	27,93,475
	15,55,293	27,93,475
17 Other Current Liabilities Outstanding expenses Statutory liabilities Security Deposit	36,15,843 21,33,737 30,87,096	31,96,625 5,22,567 27,77,337
	88,36,676	64,96,529
18 Short term Provisions Provision for Gratuity Payable Provision for Key result area Provision for Income tax	89,09,182 74,400 32,52,692	70,06,000 66,000 -
	1,22,36,274	70,72,000

Notes to Consolidated Financial Statements

(All amounts in Indian Rupees, except share data and where otherwise stated)

Particulars	As at	As at
	31.03.2018	31.03.2017
19 Revenue from operations Export Income Sale of Software Products Income from Consultancy Services Domestic Income Sale of Software Products Income from Consultancy Services	- 7,31,37,922 1,22,07,084 2,36,77,504 10,90,22,510	- 7,09,49,813 1,39,31,160 1,63,53,991 10,12,34,964
20 Other Income Dividend from Mutual Fund Interest on Deposits Other Income Interest on TDS Refund Exchange Fluctuation Gain/ (Loss) Reversal of Bad Debts	28,93,723 17,12,717 43,250 72,890 -3,33,360 -	23,27,695 20,92,184 15,543 84,529 -5,45,260 91,318
	43,89,220	40,66,009
21 Purchases of Software Products Software Products	62,57,360 62,57,360	76,31,320 76,31,320
22 Employee benefit expenses Salaries * Contribution to Provident Fund and other Funds Product Incentives Staff Welfare Expenses Certification fee	7,10,64,048 62,33,711 52,05,876 3,69,715 5,664 8,28,79,014	6,80,84,240 23,23,982 - 2,31,089 - 7,06,39,312
23 Administrative and other Expenses Rent 19,20,000 Rates and Taxes Insurance Travelling Expenses	19,20,000 7,38,191 27,74,717 14,26,478	6,96,837 32,54,133 14,71,977

Particulars	As at	As at
	31.03.2018	31.03.2017
Communication Expenses		
- Internet Charges	3,17,833	3,17,345
- Telephone	74,637	91,838
- Postage & Courier	9,761	9,520
Printing and Stationery	30,410	20,852
Electricity Charges	6,81,913	7,28,477
Advertisement	61,840	42,840
Repairs and Maintenance		
- Machinery	1,48,630	1,30,721
- Vehicles	6,15,934	5,51,191
Professional and Consultancy Charges	26,71,209	11,15,712
Auditors Remuneration		
Statutory audit fee	1,40,000	1,40,000
Tax audit fee	20,000	20,000
Directors Sitting Fee	2,20,000	2,30,000
Bad Debts	3,34,294	-
Membership Fee, Meeting & Seminar Charges	3,27,258	6,11,056
Security Charges	2,78,915	2,94,640
Loss On sale of fixed assets	767	3,353
Office Maintenance	2,81,548	2,61,437
	1,30,74,334	1,19,11,930
24 Other Comprehensive Income		
Items that will not be reclassified to Profit or (Loss)		
Actuarial gain/(loss) -Gratuity	23,72,194	(17,85,000)
	23,72,194	(17,85,000)

25 First-time adoption of Ind AS

These standalone financial statements of B2B Software Technologies Limited for the year ended March 31, 2018 have been prepared in accordance with Ind AS. For the purposes of transition to Ind AS, the Company has followed the guidance prescribed in Ind AS 101, First-Time Adoption of Indian Accounting Standards, with April 1, 2016 as the transition date and IGAAP as the previous GAAP.

The transition to Ind AS has resulted in changes in the presentation of the financial statements, disclosures in the notes thereto and accounting policies and principles. The accounting policies set out in Note 1 & 2 have been applied in preparing the standalone financial statements for the year ended March 31, 2018 and the comparative information. An explanation of how the transition from previous GAAP to Ind AS has affected the Company's Balance Sheet and Statement of Profit and Loss, is set out below. Exemptions on the first-time adoption of Ind AS availed in accordance with Ind AS 101 have been set out below.

Exemptions availed on first-time adoption of Ind AS 101

Deemed cost of property, plant and equipment and intangible assets

The Company has elected to continue with the carrying value of all its property, plant and equipments and intangible assets recognised as of 1st April, 2016 measured as per the previous GAAP and use that carrying value as its deemed cost on transition date.

Derecognition of financial assets and financial liabilities

The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after transition date.

Classification and measurement of financial assets

The Company has assessed classification and measurement of financial assets on the basis of facts and circumstances that exist as on transition date.

Impairment of financial assets

The Company has applied impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date.

Reconciliation of Balance sheet as at date of transition (1 April 2016)

(All amounts in Indian Rupees, except share data and where otherwise stated)

		Previous GAAP *	Adjustments	Ind AS
I. ASSETS				
1 Non-current assets				
(a) Property plant and equipment		25,95,642	-	25,95,642
(b) Intangible assets		2,869	-	2,869
(c) Financial assets				-
(i) Investments			-	-
(ii) Loans		60,00,000	-	60,00,000
(iii) Other financial asset				-
(d) Other non-current assets		7,46,713	-	7,46,713
		93,45,224	-	93,45,224
2 Current assets				
(a) Inventories		4,47,903	-	4,47,903
(b) Financial asset				-
(i) Current Investments		2,30,79,994	-	2,30,79,994
(ii) Trade receivables		66,84,005	-	66,84,005
(iii) Cash and Cash Equivalents		1,21,72,283	-	1,21,72,283
(iv) Bank balances other than (iii) above		2,60,16,485	-	2,60,16,485
(v) Loans		3,28,672	-	3,28,672
(c) Other current assets		48,26,408	-	48,26,408
		7,35,55,751	-	7,35,55,751
		8,29,00,975	-	8,29,00,975
II EQUITY AND LIABILITIES				
1 Equity				
(a) Equity share capital		11,59,31,000		11,59,31,000
(b) Other equity		-5,07,20,222		(5,07,20,222)
		6,52,10,778	-	6,52,10,778
2 Non-current liabilities				
3 Current liabilities				
(a) Financial liability				
(i) Trade payables		57,48,068		57,48,068
(b) Other current liabilities		61,06,109		61,06,109
(c) Short-term provisions		58,36,020		58,36,020
		1,76,90,197	-	1,76,90,197
Total Equity and Liabilities		8,29,00,975	-	8,29,00,975

* The Previous GAAP figures have been reclassified to conform to IND AS presentation requirement for the purpose of this note

Reconciliation of Balance sheet as at date 31 March 17

(All amounts in Indian Rupees, except share data and where otherwise stated)

		Previous GAAP *	Adjustments	Ind AS
I. ASSETS				
1 Non-current assets				
(a) Property plant and equipment		24,55,001	-	24,55,001
(b) Intangible assets		1,969	-	1,969
(c) Financial asset				-
(i) Loans		60,00,000	-	60,00,000
(d) Deferred tax assets (net)		-	-	-
(e) Other non-current assets		7,46,713	-	7,46,713
		92,03,683	-	92,03,683
2 Current assets				
(a) Inventories		4,16,460	-	4,16,460
(b) Financial asset				
(i) Current Investments		3,24,68,168	-	3,24,68,168
(ii) Trade receivables		54,04,240	-	54,04,240
(iii) Cash and Cash Equivalents		1,11,26,565	-	1,11,26,565
(iv) Bank Balances other than (iii)above		2,89,92,648	-	2,89,92,648
(v) Loans		1,84,253	-	1,84,253
(c) Other current assets		54,03,781	-	54,03,781
		8,39,96,115	-	8,39,96,115
3 Non-current assets held for sale		-	-	-
		9,31,99,798	-	9,31,99,798
II EQUITY AND LIABILITIES				
1 Equity				
(a) Equity share capital		11,59,31,000	-	11,59,31,000
(b) Other equity		(3,90,93,207)	-	(3,90,93,207)
		7,68,37,793	-	7,68,37,793
2 Non-current liabilities				
3 Current liabilities				
(a) Financial liability				
(i) Trade payables		27,93,476	-	27,93,476
(b) Other current liabilities		64,96,529	-	64,96,529
(c) Current Tax liability (Net)		70,72,000	-	70,72,000
		1,63,62,005	-	1,63,62,005
		9,31,99,798	-	9,31,99,798

* The Previous GAAP figures have been reclassified to conform to IND AS presentation requirement for the purpose of this note

Reconciliation of statement of profit and loss for the year ended 31 March 2017.

(All amounts in Indian Rupees, except share data and where otherwise stated)

		Previous GAAP *	Adjustments	Ind AS
I	Revenue from operations	10,12,34,964	-	10,12,34,964
II	Other income	40,66,009	-	40,66,009
III	Total revenue (I+II)	10,53,00,973	-	10,53,00,973
IV	Expenses			
	Purchases of Software Products	76,31,320		76,31,320
	Changes in Inventory - WIP	31,443	-	31,443
	Employee benefit expenses	7,24,24,312	(17,85,000)	7,06,39,312
	Administrative and other expenses	1,19,11,930	-	1,19,11,930
	Depreciation and amortization expense	15,65,807	-	15,65,807
	Total expenses	9,35,64,811	(17,85,000)	9,17,79,811
V	Profit / (loss) before exceptional items and tax (III - IV)	1,17,36,162	17,85,000	1,35,21,162
VI	Exceptional items			-
VII	Profit / (loss) before tax (V - VI)	1,17,36,162	17,85,000	1,35,21,162
VIII	Tax expense / (income)			
	Current tax			
	For the year	-	-	-
	In respect of earlier years	-	-	-
	Total tax expense / (income)	-	-	-
IX	Profit / (loss) after tax (VII - VIII)	1,17,36,162	17,85,000	1,35,21,162
XII	Other comprehensive income			
	Items that will not be reclassified to profit or loss	-	(17,85,000)	(17,85,000)
	Income tax relating to items that will not be reclassified to profit or loss	-	-	-
	Total comprehensive income	1,17,36,162	-	1,17,36,162

* The Previous GAAP figures have been reclassified to conform to IND AS presentation requirement for the purpose of this note

Reconciliation of total equity as at 31 March 17 and 1 April 2016

		31 March 2017	1 April 2016
Total equity (shareholder's funds) as per previous GAAP		7,68,37,793	6,52,10,778
Adjustments:			
Total adjustments		-	-
Total equity as per Ind AS		7,68,37,793	6,52,10,778

The reconciliation of net profit as previously reported (referred to as "Previous GAAP") and IND AS as under:

Particulars		Year ended 31 March 2017
Net profit / (loss) under previous GAAP		1,17,36,162
Net profit / (loss) for the period under IND AS		1,35,21,162
Other comprehensive income		(17,85,000)
Total comprehensive income		1,17,36,162

Impact of Ind AS adoption on the statement of cash flows for the year ended 31 March 2017

		Previous GAAP *	Adjustments	Ind AS
Net cash from operating activities		1,10,72,947	-	1,10,72,947
Net cash from investing activity		(84,88,098)	-	(84,88,098)
Net cash from financing activities		-	-	-
Exchange differences on translation of foreign currency cash and cash equivalents		(6,54,404)		(6,54,404)
Net increase / (decrease) in cash and cash equivalents		19,30,446	-	19,30,446
Cash and cash equivalents as at 1 April 2016		3,07,28,772	-	3,07,28,772
Cash and cash equivalents as at 31 March 2017		3,26,59,218	-	3,26,59,218

Notes to first-time adoption:

Re-measurements of post-employment benefit obligations:

Under Ind AS, re-measurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these re-measurements were forming part of the profit or loss for the year. As a result of this change, the profit for the year ended March 31, 2017 decreased by INR 17,85,000. There is no impact on the total equity as at 31 March 2017.

Other comprehensive income:

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes re-measurements of defined benefit plans, foreign exchange differences arising on translation of foreign operations. The concept of other comprehensive income did not exist under previous GAAP.

Notes to Consolidated Financial Statements

(All amounts in Indian Rupees, except share data and where otherwise stated)

26 Financial risk management objectives and policies:

The Group's principal financial liabilities comprises of loans and borrowings & trade and other payables. The main purpose of these financial liabilities is to raise finance for the Group's operations. The Group has loans and receivables, trade and other receivables, and cash and short-term deposits that arise directly from its operations. The Group also hold investments designated at fair value through profit or loss, fair value through other comprehensive income, at amortised cost and at cost for investment in subsidiaries.

The Group is exposed to Foreign Currency risk, credit risk and liquidity risk.

The Group's senior management oversees the management of these risks. The Group's senior management advises on financial risks and the appropriate financial risk governance framework for the Group. It is the Group's policy that no trading in derivatives for speculative purpose may be undertaken.

The directors reviews and agrees policies for managing each of these risks which are summarised below:

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. The majority of our assets are located in India where the Indian rupee is the functional currency. Currency exposures also exist in the nature of revenue expenditure and services denominated in currencies other than the Indian Rupee.

Foreign currency exposures are normally unhedged.

The carrying amount of the Group's financial assets and liabilities in different currencies are as follows:

Particulars of Unhedged foreign Currency Exposure :

Particulars	AS AT	
	31 March 2018	31 March 2017
Trade Receivables	76,29,909	20,77,946
	\$1,17,303.64	\$32,047.98

The Group's exposure to foreign currency arises where a Group holds monetary assets denominated in a currency different to the functional currency with US dollar being the major foreign currency exposure. Set out below is the impact of a 5% change in the US dollar on profit and equity arising as a result of the revaluation of the Group's foreign currency financial instruments:

31st March 2018	Closing exchange rate	Effect of 5% strengthening of US \$ on net earnings	Effect of 5% strengthening of US \$ on total equity
Indian Rupee	65.0441	80,11,405	80,11,405

31st March 2017	Closing exchange rate	Effect of 5% strengthening of US \$ on net earnings	Effect of 5% strengthening of US \$ on total equity
Indian Rupee	64.8386	21,81,843	21,81,843

Credit risk analysis

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily for trade and other receivables) and from its financing activities, including short-term deposits with banks and financial institutions, and other financial assets.

The carrying value of financial assets represents the maximum exposure for credit risk. The maximum exposure to credit risk of each class of financial assets at the reporting date was as follows:

Particulars	Carrying Value as at		
	31 March 2018	31 March 2017	31 March 2016
Trade receivables	1,00,09,424	54,04,240	66,84,005
Short term deposits with banks	1,28,58,642	2,89,92,648	2,60,16,485
Loans	61,38,017	61,84,253	63,28,672

The credit worthiness of customers / subsidiaries to which the Group grants credit in the normal course of the business is monitored regularly. The credit risk for liquid funds and other short-term financial assets is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

Liquidity risk analysis:

The Group's main source of liquidity is its operating businesses. The treasury department uses regular forecasts of operational cash flow, investment and trading collateral requirements to ensure that sufficient liquid cash balances are available to service on-going business requirements. The Group manages its liquidity needs by carefully monitoring cash-outflows due in day-to-day business. Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 90 day projection. Long-term liquidity needs for a 90 day and a 30 day lookout period are identified monthly.

The Group requires funds both for short-term operational needs as well as for long-term investment programmes:

The following is an analysis of the Group contractual undiscounted cash flows payable under financial liabilities at 31 March 2018:

	Current	Non-Current		Total
	Within 12 months	1-5 years	Later than 5 years	
Trade and Other Payables	15,55,293	-	-	15,55,293
Other Financial Liabilities	88,36,676	-	-	88,36,676
Total	1,03,91,970	-	-	1,03,91,970

The following is an analysis of the Company contractual undiscounted cash flows payable under financial liabilities at 31 March 2017:

	Current	Non-Current		Total
	Within 12 months	1-5 years	Later than 5 years	
Trade and Other Payables	27,93,475	-	-	27,93,475
Other Financial Liabilities	64,96,529	-	-	64,96,529
Total	92,90,004			92,90,004

The following is an analysis of the Company contractual undiscounted cash flows payable under financial liabilities at 31 March 2016:

	Current	Non-Current		Total
	Within 12 months	1-5 years	Later than 5 years	
Trade and Other Payables	57,48,068			57,48,068
Other Financial Liabilities	61,06,109			61,06,109
Total	1,18,54,177			1,18,54,177

27 Financial Instruments

Carrying amounts versus fair values

The fair values of financial assets and financial liabilities, together with the carrying amounts in the statement of financial position are as follows:

	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
	31-03-2018	31-03-2018	31-03-2017	31-03-2017	31-03-2016	31-03-2016
Non- current financial assets						
Loans	60,00,000	60,00,000	60,00,000	60,00,000	60,00,000	60,00,000
Total Non-Current	60,00,000	60,00,000	60,00,000	60,00,000	60,00,000	60,00,000
Current financial assets						
Current Investments -						
Liquid Mutual Fund Units	6,13,35,304	6,13,35,304	3,24,68,168	3,24,68,168	2,30,79,994	2,30,79,994
Trade Receivables	1,00,09,424	1,00,09,424	54,04,240	54,04,240	66,84,005	66,84,005
Cash and Cash Equivalents	75,23,081	75,23,081	1,11,26,565	1,11,26,565	1,21,72,283	1,21,72,283
Bank Balances other than above	1,28,58,642	1,28,58,642	2,89,92,648	2,89,92,648	2,60,16,485	2,60,16,485

	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
	31-03-2018	31-03-2018	31-03-2017	31-03-2017	31-03-2016	31-03-2016
Loans	1,38,017	1,38,017	1,84,253	1,84,253	3,28,672	3,28,672
Total Current	9,18,64,468	9,18,64,468	7,81,75,874	7,81,75,874	6,82,81,440	6,82,81,440
Total	9,78,64,468	9,78,64,468	8,41,75,874	8,41,75,874	7,42,81,440	7,42,81,440
Non-current Financial Liabilities	-	-	-	-	-	-
Total Non-current	-	-	-	-	-	-
Current Financial Liabilities						
Trade Payables	15,55,293	15,55,293	27,93,475	27,93,475	57,48,068	57,48,068
Total Current	15,55,293	15,55,293	27,93,475	27,93,475	57,48,068	57,48,068
Total	15,55,293	15,55,293	27,93,475	27,93,475	57,48,068	57,48,068

28 Fair value hierarchy

The table below analyses recurring fair value measurements for financial assets and financial liabilities. These fair value measurements are categorised in to different levels in the fair value hierarchy based on the inputs to valuation techniques used. The different levels are defined as follows:

Level 1 : quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 : inputs other than quoted prices that is observable for the asset or liability, either directly or indirectly.

Level 3 : valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

31 March 2018	Level I	Level II	Level III	Total
Financial assets measured at fair value				
Current Investments - Liquid Mutual Fund Units	6,13,35,304	-	-	6,13,35,304
Total	6,13,35,304	-	-	6,13,35,304
Financial liabilities measured at fair value				
Total	-	-	-	-

The Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting year during which the transfer has occurred. During the year ended 31 March 2018, there were no transfers between Level I, Level II and Level III fair value measurements.

31 March 2017	Level I	Level II	Level III	Total
Financial assets measured at fair value				
Current Investments - Liquid Mutual Fund Units	3,24,68,168	-	-	3,24,68,168
Total	3,24,68,168	-	-	3,24,68,168
Financial liabilities measured at fair value				
Total	-	-	-	-

The Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting year during which the transfer has occurred. During the year ended 31 March 2017, there were no transfers between Level I, Level II and Level III fair value measurements.

31 March 2016	Level I	Level II	Level III	Total
Financial assets measured at fair value				
Current Investments - Liquid Mutual Fund Units	2,30,79,994	-	-	2,30,79,994
Total	2,30,79,994	-	-	2,30,79,994
Financial liabilities measured at fair value				
Total	-	-	-	-

The Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting year during which the transfer has occurred. During the year ended 31 March 2016, there were no transfers between Level I, Level II and Level III fair value measurements.

The fair value of liquid mutual funds is based on quoted price

29 Contingent Liabilities and Capital Commitments :

Details of all cases pending

Name of the Statue	Nature of dues	Amount to the extent Not paid (in Rs.)	Period to which the amount relates Financial Year	Form where dispute is pending
Commercial tax department Govt of Telangana	Sales tax	57,997	2012-13	Telangana Sales tax and VAT Appellate Tribunal

30 Earnings in Foreign Exchange during the Year (on receipt basis)

Particulars	March 31, 2018	March 31, 2017
Software Services	3,53,12,611	3,77,64,066

31 Expenditure in Foreign Currency (on payment basis)

Particulars	March 31, 2018	March 31, 2017
Foreign-Traveling Exps	3,89,051	79,310

32 Disclosure is made as per the requirement of the Accounting Standard 18 on related Party Transactions during the Year:

i) List of Related Parties

a) Parties where control exist

Name of the party	Relation
B2B Softech Inc.	Subsidiary Company

b) Key Managerial Person (KMP)

Name of the party	Relation
Dr. Ram Nemani	CEO & Director
V.V.Nagendra	Executive Director
V. Bala Subramanyam	Executive Director
Sunil Nemani	CFO

c) Parties where key managerial person has significant influence

Name of the party	KMP	Relation of KMP
Genious Doc Inc	Dr.Ramachandra Rao Nemani	Director

ii) Transactions during the year

Name of the Related party	March 31, 2018	March 31, 2017
(a) With Genius Doc Inc		
Export of Software Services	2,94,56,504	2,62,49,516
(b) With Key Management Personnel		
Managerial Remuneration	54,93,565	44,22,502

iii) Balances Outstanding at the Year End

Name of the Related party	March 31, 2018	March 31, 2017
(a) With Genius Doc Inc		
Receivables	75,83,647	20,77,995
(b) With Key Management Personnel		
Managerial Remuneration	5,00,000	3,17,960

33 Earning/(loss) Per Share as per Accounting Standard 20

The Computation of EPS as per AS 20 is set out below:

	March 31, 2018	March 31, 2017
Profit/ (Loss) after Tax	86,29,574	1,17,36,162
Weighted average number of equity shares	1,15,85,400	1,15,85,400
Basic and diluted Earning Per Share	0.74	1.01

(Nominal value of equity shares: Rs. 10 each)

34 Investment in Mutual Funds of Unit Trust of India, Aditya Birla Sun Life Insurance & ICICI Prudential

	March 31, 2018	March 31, 2017
	Amount	Amount
Opening Balance	3,24,68,168	2,30,79,994
Add: Purchases	3,30,77,908	1,18,88,173
Less: Sale	42,10,771	25,00,000
Closing Balance	6,13,35,304	3,24,68,168

* Net Asset Value as on 31.03.2018 is Rs 613,35,304/-

- 35 The Group has received Rs.12,92,636/- (equivalent to Euros 20,000) during the financial year 2009-10 towards advance for the sale of 80% shareholding in its wholly owned subsidiary B2B Technologies Kassel GmbH. The shares have not been transferred pending approval from RBI. The Group has made a provision of Rs. 39,37,554 towards loss on sale of investment and a provision for Rs.13,07,549 for diminution in the value of investment.
- 36 The Wholly Owned Subsidiaries of the Group at Malaysia, B2B Infotech SDN BHD and at Singapore, B2B Infotech Pte Ltd are under liquidation. The Group has made a provision for diminution in the value of investment to the extent of 100% of the carrying amount.
- 37 The Group is primarily engaged in Information Technology and related services. There are no other reportable segments in terms of Indian Accounting Standard 108 on Segment Reporting issued by the The Institute of Chartered Accountants of India.

Particulars	For the Year ended	
	31-03-2018	31-03-2017
	Audited	Audited
Segment Revenue		
a) India	770.99	665.49
b) USA	319.23	346.86
Total	1090.22	1012.35
Less : Inter segment revenues	-	-
Net Segment Revenue	1,090.22	1,012.35
Segment Results before tax and interest		
a) India	54.54	95.11
b) USA	0.67	(0.56)
c) Other Income	43.89	40.66
Total	99.10	135.21
Less : Interest Expenses	-	-
Less : Other un-allocable expenditure net off un-allocable income.	-	-
Total Profit/(Loss) Before Tax	99.10	135.21

Particulars	For the Year ended		
	31-03-2018	31-03-2017	31-03-2016
	Audited	Audited	Audited
Assets			
1. India	1,033.2	884.9	754.4
2. USA	47.9	47.1	74.6
Total	1,081.1	932.0	829.0
Liabilities			
1. India	1,067.1	918.8	788.2
2. USA	14.1	13.2	40.8
Total	1,081.1	932.0	829.0

38 Deferred tax asset/liability is not determined and accounted as per Accounting Standard-22 issued by ICAI as the related benefits on tax losses are considered virtually uncertain.

39 **Employee Benefits**

During the year the Group has made a provision of Rs.19,03,126/- for gratuity based on Actuarial Valuation. The Group has not created any assets to meet this obligation. Disclosure as required by Indian Accounting Standard - 19 'Employee Benefits'

Particulars	March 31, 2018	March 31, 2017
1 Changes in Present Value of Obligation		
Present value of obligation as at the beginning of the year	70,06,056	57,83,821
Interest Cost	4,90,424	4,62,706
Current service cost	38,82,930	1,15,676
Actuarial gain/(loss) on obligations	(23,72,194)	17,85,027
Benefits paid	(98,034)	(11,41,174)
Present value of obligations at the end of the year	89,09,182	70,06,056
2 Changes in Fair Value of Plan Assets		
Fair value of plan assets at the beginning of the year		
Expected return on plan assets	-	-
Contributions	-	-
Benefits Paid	-	-
Actuarial gain/(loss) on plan assets	-	-
Fair value of plan assets at the end of the year	-	-
3 Liability Recognised in Balance Sheet		
Present value of obligation as at the end of the year	89,09,182	70,06,056
Fair value of plan assets at the end of the year	-	-
Funded Status	89,09,182	70,06,056
Net asset/(liability) recognised in balance sheet	89,09,182	70,06,056
4 Bifurcation of Net Liability		
Current Liability (Short-term)	-	-
Non - Current Liability (Long-term)	89,09,182	70,06,056
Net Liability	89,09,182	70,06,056
5 Expenses Recognised in Statement of Profit & Loss		
Current service cost	38,82,930	1,15,676
Past Service Cost	-	-
Interest Cost	4,90,424	4,62,706
Expected Return on plan assets	-	-
Expenses recognised in the Income Statement	43,73,354	5,78,382
Other Comprehensive Income		
Actuarial gain/(loss) on Obligations - Change in Demographic assumptions	-	-
Actuarial gain/(loss) on Obligations - Change in Financial assumptions	11,13,865	-
Actuarial gain/(loss) on Obligations - Experience variance (Actual experience vs assumptions)	12,58,330	-
Total Actuarial gain/ (loss) on obligations	23,72,195	17,85,027
Actuarial gain/ (loss) on Plan assets	-	-
Total Other Comprehensive Income	23,72,195	17,85,027
Assumptions		
Discount	7%	7%
Escalation	6%	6%

Form No. SH – 13

Nomination Form

[Pursuant to Section 72 of the Companies Act, 2013 and rule 19 (1) of the Companies
(Share Capital and Debentures) Rules, 2014]

To
B2B SOFTWARE TECHNOLOGIES LIMITED,
3rd& 4th Floor, AVR Towers, 6 – 3 – 1112,
Behind West Side Showroom, Near Somajiguda,
Begumpet, Hyderabad – 500016

I / We _____ the holder (s) of the securities particulars of which are given hereunder wish to make nomination and do hereby nominate the following persons in whom shall vest, all the rights in respect of such securities in the event of my / our death.

(1) PARTICULARS OF THE SECURITIES (in respect of which nomination is being made)

Nature of Securities	Folio No.	No. of Securities	Certificate No (s)	Distinctive No (s)

(1) PARTICULARS OF NOMINEE/S:-

- (a) Name:
- (b) Date of Birth:
- (c) Father's / Mother's / Spouse's Name:
- (d) Occupation:
- (e) Nationality:
- (f) Address:
- (g) Email id:
- (h) Relationship with the Security holder:

(2) IN CASE NOMINEE IS A MINOR:-

- (a) Date of Birth:
- (b) Date of attaining majority
- (c) Name of Guardian:
- (d) Address of Guardian:

Name:

Address:

Name(s) of the Security Holder(s):

Signature:

Signature of Witness with Name and Address

Cancellation or Variation of Nomination

[Pursuant to sub-section (3) of Section 72 of the Companies Act, 2013 and rule 19 (9) of the Companies (Share Capital and Debentures) Rules, 2014]

To

B2B SOFTWARE TECHNOLOGIES LIMITED,
3rd& 4th Floor, AVR Towers, 6 – 3 – 1112,
Behind West Side Showroom, Near Somajiguda,
Begumpet, Hyderabad – 500016

I / We hereby cancel the nomination(s) made by me / us in favour of _____ (name and address of the nominee) in respect of the below mentioned securities.

OR

I / We hereby nominate the following person in place of _____ as nominee in respect of the below mentioned securities in whom shall vest all rights in respect of such securities in the event of my / our death.

(1) PARTICULARS OF THE SECURITIES (in respect of which nomination is cancelled / varied)

Nature of Securities	Folio No.	No. of Securities	Certificate No (s)	Distinctive No (s)

(1) PARTICULARS OF THE NEW NOMINEE-

- Name:
- Date of Birth:
- Father's / Mother's / Spouse's Name:
- Occupation:
- Nationality:
- Address:
- Email id:
- Relationship with the Security holder:

(2) IN CASE NOMINEE IS A MINOR:-

- Date of Birth:
- Date of attaining majority
- Name of Guardian:
- Address of Guardian:

Signature:

Name(s) of the Security Holder(s):

Signature of Witness with Name and Address

B2B SOFTWARE TECHNOLOGIES LIMITED,

Registered Office: 3rd & 4th Floor, AVR Towers, 6 – 3 – 1112, Behind West Side Showroom, Near Somajiguda, Begumpet, Hyderabad – 500016. Tel: 040 – 23372522, 23375926 Fax: 040 – 233223285
 Email ID –investorservice@b2bsofttech.com, Website: www.b2bsofttech.com
 CIN : L72200TG1994PL018351

ATTENDANCE SLIP

PLEASE BRING THIS ATTENDANCE SLIP DULY COMPLETED WITHOUT FAIL AND
 HAND IT OVER AT THE ENTRANCE FOR OBTAINING ENTRY PASS

I / We hereby record my / our presence at the 24th Annual General Meeting of B2B SOFTWARE TECHNOLOGIES LIMITED held at 3rd & 4th Floor, AVR Towers, 6 – 3 – 1112, Behind West Side Showroom, Near Somajiguda, Begumpet, Hyderabad – 500016 on Friday the 28th of September, 2018 at 11.00 A.M.

Name of the Shareholder: _____

Folio No. / Client ID / DP ID: _____

Name of the proxy / representative, if any: _____

I certify that I am a registered Shareholder / Proxy for the Shareholder of the Company .

Signature of the Shareholder / Proxy

- Notes:
1. Attendance slip which is not complete in all respects shall not be accepted.
 2. The registration counter will remain open between 10.00 A.M to 11.00 A. M.
 3. Joint Shareholders may obtain additional attendance slip on request.



MGT – 11
PROXY FORM

[Pursuant to Section 105 (6) of the Companies Act, 2013 and rule 19 (3) of the Companies (Management and Administration) Rules, 2014]

B2B SOFTWARE TECHNOLOGIES LIMITED,

Registered Office: 3rd & 4th Floor, AVR Towers, 6-3-1112, Behind West Side Showroom, Near Somajiguda, Begumpet, Hyderabad-500016
 Tel: 040 – 23372522, 23375926 Fax: 040 – 233223285
 Email ID – investorservice@b2bsofttech.com, Website: www.b2bsofttech.com
 CIN : L72200TG1994PL018351

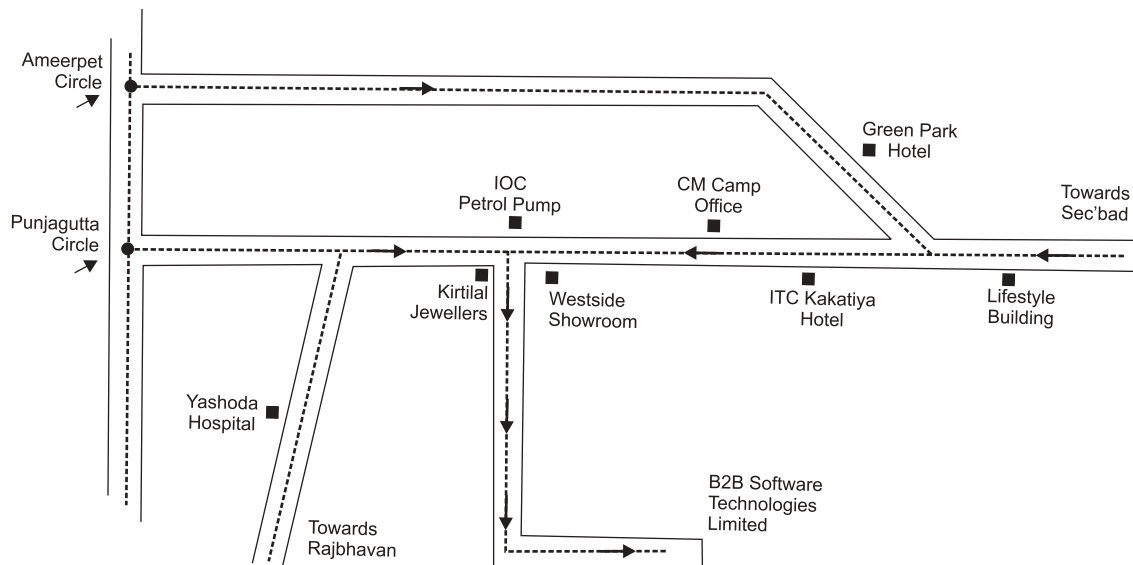
Name (s) of the Member (s)	
Registered Address	
Email ID	
Folio No. / Client ID	
DP ID	

I / We being the member (s) of _____ shares of the above named Company, hereby appoint

1.	Name	
	Address	
	E-mail ID	
	Signature	or failing him
2.	Name	
	Address	
	E-mail ID	
	Signature	or failing him
3.	Name	
	Address	
	E-mail ID	
	Signature	or failing him

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 24th Annual General Meeting of the Company to be held on the Friday the 28th of September, 2018 at 11.00 a.m., at 3rd & 4th Floor, AVR Towers, 6 – 3 – 1112, Behind West Side Showroom, Near Somajiguda, Begumpet, Hyderabad – 500016 and at any adjournment thereof in respect of such resolutions as are indicated below:

Route Map:



Resolution No.	Resolution	For	Against
1.	Adoption of Financial Statements for the year ended 31st March, 2018 along with the Report of Board of Directors and Auditors thereon		
2.	Re appointment Dr.YaramatiSatyanarayanaas Director who retires by rotation and being eligible seeks his re appointment		
3.	Ratification for Re appointment of M/s Umamaheswara Rao & Co., Chartered Accountants as Statutory Auditors of the Company to hold office from the conclusion of 20th Annual General Meeting till the conclusion of 25th Annual General Meeting at a remuneration as may be decided by the Board of Directors.		
Special Business:			
4.	Re appoint Mr.ARUMILLI RAMBABU as an Independent Director		
5.	Re appoint Mr. CHODE SURESH as an Independent Director		
6.	Re appoint Mr. MUTYALA RAMBABU as an Independent Director		
7.	Alteration of Memorandum of Association as per the provisions of the Companies Act, 2013		
8.	Alteration of Articles of Association as per the provisions of the Companies Act, 2013		

Signed this _____ day of _____, 2018

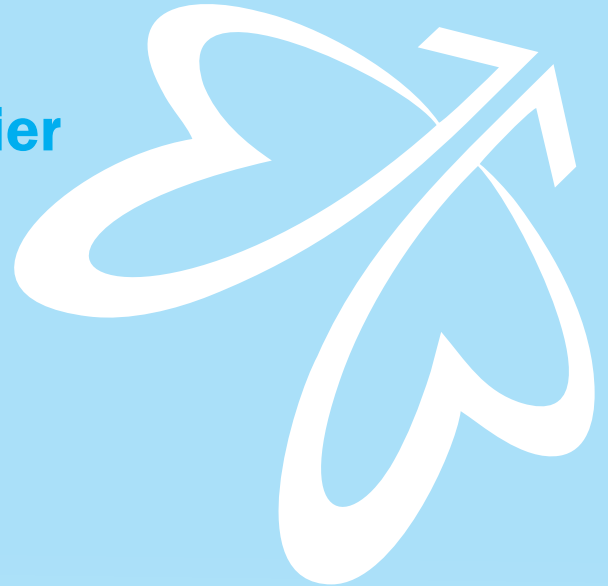
Signature of the Shareholder:

Signature of the Proxy holder(s):

Affix
Re. 1/-
Revenue
Stamp

NOTE: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

Regd. Post / Courier



B2B SOFTWARE
TECHNOLOGIES LTD
PEOPLE . VALUES . TECHNOLOGIES

6-3-1112, 3rd & 4th Floor, AVR Tower,
Behind Westside Showroom, Near Somajiguda Circle,
Begumpet, Hyderabad - 500 016. TELANGANA, INDIA.
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www.b2bsoftech.com