

To  
The General Manager  
Department of Corporate Services  
Bombay Stock Exchange Limited  
P J Towers, Dalal Street  
Mumbai – 400001

Date- 03<sup>rd</sup> September, 2024

USA

**Sub: Submission of Annual Report for the financial year 2023-2024.**  
**Scrip Code: 531268**

Dear Sir/Madam,

**Annual General Meeting ('AGM'):**

Pursuant to Regulation 34 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, we are submitting herewith Annual Report of the Company for the financial year 2023-2024.

The Annual Report for the financial year 2023-24 is being sent to the shareholders electronically who have registered their email IDs. The same is also available on the Company's website at [www.b2bsoftech.com](http://www.b2bsoftech.com).

The schedule of the AGM is set out below:

| <b>Particulars</b>  | <b>Details</b>   |
|---|--|
| Date & time of the AGM                                    | Thursday, the 26 <sup>th</sup> day of September 2024 at 04.00 PM (IST) through VC/OAVM |
| Cut-off date for the purpose of e-voting /e-voting at AGM | Thursday, the 19 <sup>th</sup> day of September, 2024                                  |
| Commencement of e-voting                                  | Monday, the 23 <sup>rd</sup> day of September 2024 (9.00 AM IST)                       |
| End of e-voting   | Wednesday, the 25 <sup>th</sup> of September 2024 (5.00 PM IST)                        |

You are requested to take the above information on record.

Thanking You  
Yours faithfully,  
**For B2B SOFTWARE TECHNOLOGIES LIMITED**

**Prabhat Bhamini**  
Company Secretary & Compliance Officer  
Membership No.- ACS 69664



**B2B SOFTWARE**  
TECHNOLOGIES LTD  
PEOPLE . VALUES . TECHNOLOGIES

# 30<sup>th</sup> ANNUAL REPORT



**ANNUAL REPORT**  
**2023 - 2024**

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**SECRETARIAL AUDITOR**  
D.S.M. Ram  
Proprietor DSMR & Associates  
Company Secretaries  
# 6-3-668/10/42, Plot No.42, 2nd Floor,  
Durga Nagar Colony, Punjagutta,  
Hyderabad - 500082.

## DIRECTORS

|  |                            |
|--|----------------------------|
| 1. Dr. Satyanarayana Y(DIN-00360679)             | Director                   |
| 2. Mr. Lakshminarayana Bolisetty (DIN-02766709)  | Independent Director       |
| 3. Mr. Sreeramulu Kavuri (DIN: 01999979)         | Independent Director       |
| 4. Ms. Rajeswari Immani (DIN-07127791)           | Independent Women Director |
| 5. Mrs. Parvatha Samantha Reddy(DIN-00141961)    | Director                   |
| 6. Mr. Bala Subramanyam Vanapalli (DIN-06399503) | Executive Director         |

## KEY MANAGERIAL PERSONNEL

|                                    |  |
|------------------------------------|--|
| 1. Dr. Ramachandra Rao Nemani      | C.E.O.                                 |
| 2. Mr. Bala Subramanyam Vanapalli  | Executive Director                     |
| 3. Mr. Sunil Nemani                | C.F.O.                                 |
| 4. Ms. Prabhat Bhamini (ACS 69664) | Company Secretary & Compliance Officer |

**STATUTORY AUDITORS:**  
JAWAHAR & ASSOCIATES  
Chartered Accountants,  
# C-5, Skylark Apartments,  
3-6-309, Bashirbagh  
Hyderabad - 500 029.

**INTERNAL AUDITORS:**  
Srijani Sarkar  
Flat No. 313, Block A,  
Janapriya Nivas,  
Babanagar, Nacharam  
Hyderabad - 500 076.

## BANKERS:

**ICICI Bank Ltd.**  
Khairatabad,  
Hyderabad - 500 004

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

**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 Floor, AVR Tower, Behind Westside Showroom  
Near Somajiguda Circle, Begumpet, Hyderabad - 500 016.  
Website: [www.b2bsoftech.com](http://www.b2bsoftech.com) | E: [investorservice@b2bsoftech.com](mailto:investorservice@b2bsoftech.com)  
CIN : L72200TG1994PL018351

**B2B SOFTWARE TECHNOLOGIES LIMITED**

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

**NOTICE**

Notice is hereby given that the Thirtieth Annual General Meeting of the members of **B2B SOFTWARE TECHNOLOGIES LIMITED** (CIN: L72200TG1994PLC018351) will be held on Thursday the 26th Day of September 2024 at 04.00 P.M, through Electronic mode (Video Conferencing ('VC') / Other Audio-Visual Means ('OAVM') to transact the following business:

**ORDINARY BUSINESS:****ITEM NO. 1 – ADOPTION OF STANDALONE FINANCIAL STATEMENT AND REPORT OF BOARD OF DIRECTORS AND AUDITORS THEREON:**

To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended 31st March 2024, and the reports of the Board of Directors and Auditors thereon; and in this regard, pass the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** the Audited Standalone Financial Statements of the Company for the financial year ended 31st March 2024, and the reports of the Board of Directors and Auditors thereon laid before this Meeting be and are hereby received, considered and adopted.”

**ITEM NO. 2 ADOPTION OF CONSOLIDATED FINANCIAL STATEMENT AND REPORT OF BOARD OF DIRECTORS AND AUDITORS THEREON-**

To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March 2024, and the report of the Auditors thereon; and in this regard, pass the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March 2024, and the report of the Auditors thereon laid before this Meeting be and are hereby received, considered and adopted.”

**ITEM NO. 3 – RE-APPOINTMENT OF DIRECTOR RETIRING BY ROTATION:**

**To appoint a Director, in place of Dr. Yaramati Satyanarayana (DIN: 00360679) who retires by rotation and being eligible, offers himself for reappointment:**

**“RESOLVED THAT** in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Dr. Yaramati Satyanarayana (DIN: 00360679), who retires by rotation at this meeting being eligible, be and is hereby appointed as a Director of the Company liable to retire by rotation.”

**SPECIAL BUSINESS:****ITEM NO 4- APPOINTMENT OF MR. LAKSHMINARAYANA BOLISSETTY (DIN- 02766709) AS AN INDEPENDENT DIRECTOR OF THE COMPANY**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 161, Schedule IV and other applicable provisions of the Companies Act, 2013 (“the Act”) read with the Rules framed thereunder, and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“the LODR Regulations”) [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force], and Articles of Association of the Company, approval and recommendation of the Nomination and Remuneration Committee and that of the Board, Mr. Lakshminarayana Bolisetty (DIN- 02766709), who was appointed as an Additional Director in the capacity of an Independent Director with effect from June 28, 2024,

who meets the criteria for independence under Section 149(6) of the Act and the Rules made thereunder, Regulation 16(1)(b) and 17(1A) of the LODR Regulations and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act, be and is hereby appointed as an Independent Director of the Company for a period of 5 (five) years till June 27, 2029 including the period from June 06th 2027 when he attains 75 years of age and that he shall not be liable to retire by rotation.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers to any committee of directors with power to further delegate to any other Officer(s) / Authorized Representative(s) of the Company to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

**ITEM NO 5- APPOINTMENT OF MR. SREERAMULU KAVURI (DIN: 01999979) AS AN INDEPENDENT DIRECTOR OF THE COMPANY**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 161, Schedule IV and other applicable provisions of the Companies Act, 2013 (“the Act”) read with the Rules framed thereunder, and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“the LODR Regulations”) [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force], and Articles of Association of the Company, approval and recommendation of the Nomination and Remuneration Committee and that of the Board, Mr. Sreeramulu Kavuri (DIN: 01999979), who was appointed as an Additional Director in the capacity of an Independent Director with effect from June 28, 2024, who meets the criteria for independence under Section 149(6) of the Act and the Rules made thereunder and Regulation 16(1)(b) of the LODR Regulations and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act, be and is hereby appointed as an Independent Director of the Company for a period of 5 (five) years till June 27, 2029 and that he shall not be liable to retire by rotation.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers to any committee of directors with power to further delegate to any other Officer(s) / Authorized Representative(s) of the Company to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

**ITEM NO. 6- APPROVE AND REGULARISE THE APPOINTMENT OF MRS. PARVATHA SAMANTHA REDDY (DIN-00141961) AS A NON- EXECUTIVE AND NON INDEPENDENT DIRECTOR OF THE COMPANY (LIABLE TO BE RETIRE BY ROTATION).**

To Consider, and if thought fit, to pass the following Resolution as a Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provision of Section 149, 152, 160 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, including any statutory modification(s) thereto or re-enactment thereof for the time being in force, read with Articles of Association of the Company, Mrs. Parvatha Samantha Reddy (DIN- 00141961), who was appointed as Additional Director of the Company with effect from August 26th 2024 by the Board of Directors pursuant to section 161 of the Companies Act, 2013 and who holds office only up to the date of this Annual General Meeting of the Company, but who is eligible for appointment and has been recommended by the Board of Directors under section 160(1) of the Companies Act, 2013, be and is hereby appointed as a Non–Executive Director of the Company, whose period of office will be liable to determination by retirement of directors by rotation.

**RESOLVED FURTHER THAT** any of the Directors or Company Secretary of the Company be and are hereby authorized to do all such acts, deeds and things as may be necessary to give effect to the said resolution.”

**ITEM NO. 7- PAYMENT OF PERFORMANCE BONUS TO MR. BALA SUBRAMANYAM VANAPALLI, WHOLE TIME DIRECTOR (DIN:06399503) FOR THE FINANCIAL YEAR 2023-2024:**

To Consider, and if thought fit, to pass the following Resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to provisions of Section 196, 197 and 203 read with Schedule V to the Companies Act, 2013 (the Act) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), pursuant to the authorization granted by the members in the Annual General Meeting held on 29th September, 2023 at the time of re-appointment of Mr. Bala Subramanyam Vanapalli Whole-time Director (DIN: 06399503) and as recommended by the members of the Nomination and Remuneration Committee, Audit Committee and approved by the Board of Directors of the Company, the approval of the members of the Company be and is hereby accorded for payment of performance bonus of an amount of Rs.17,18,581/- to Mr. Bala Subramanyam Vanapalli, Whole-time Director (DIN: 06399503) of the Company for the Financial Year 2023-2024.”

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and hereby authorized to do all such acts, matters and things as may be necessary to give effect of the above resolution.

#### **ITEM NO. 8- MODIFICATION OF EMPLOYEE STOCK OPTION SCHEME**

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

**“RESOLVED THAT** pursuant to all applicable provisions of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof) (“the Act”) read with the rules made thereunder, and subject to the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (“the SEBI ESOP Regulations”), including the relevant circulars and notifications, if any, issued by the Securities and Exchange Board of India (“SEBI”) from time to time and the Memorandum of Association and Articles of Association of the Company, modification of the B2B Employees’ Stock Ownership Plan – 2007 (“ESOP-2007”), for the benefit of present and future permanent employees of the Company and its director(s), whether whole time director or not but excluding independent directors, as approved by the Board of Directors be and is hereby approved.

**RESOLVED FURTHER THAT** the modified ESOP Scheme (“ESOP-2024”) be implemented through B2B ESOP Trust (“ESOP Trust”) based on the guidelines formulated by a Committee of the Board of Directors (“Nomination and Remuneration Committee”) provided that the total number of options that can be granted in one or more tranches under the ESOP-2024 shall not exceed 10,00,000 (Ten Lakhs) options (“Options”), which upon exercise shall result into equivalent number of equity shares of the Company (or such other adjusted figure for any bonus, stock splits or consolidations or other reorganization of the capital structure of the Company as may be applicable from time to time) to be issued by the Company to ESOP and by utilizing the 6,00,000 equity shares holding by the ESOP Trust itself which were allotted by the Company under B2B ESOP Scheme 2007 and not exercised by any eligible employees within the given time period, on such other terms and conditions as the Compensation Committee or the ESOP Trust, as the case maybe, may determine from time to time.

**RESOLVED FURTHER THAT** the Nomination and Remuneration Committee be and is hereby authorized to:

- i. delegate to the ESOP Trust, the authority to administer, implement and supervise the operation of the ESOP-2024 on such terms and conditions as it may specify;
- ii. determine the terms and conditions of grant, issue, re-issue, cancellation and withdrawal of Options from time to time;
- iii. formulate, approve, evolve, decide upon and bring into effect, suspend, withdraw or revive any sub-scheme or plan for the purpose of grant of Options to the employees and to make any modifications, changes, variations, alterations or revisions in such sub-scheme or plan from time to time;
- iv. to do all such acts, deeds, things and matters as may be considered necessary or expedient for the purpose of giving effect to the above resolution including delegation of all or any of the powers herein conferred by this resolution to the ESOP Trust; and
- v. to settle any questions, difficulties or doubts that may arise in this regard without requiring to secure any further consent or approval of the members of the Company.

**RESOLVED FURTHER THAT** the Nomination and Remuneration Committee be and is hereby also authorised to determine, modify and vary all or any of the terms and conditions of the ESOP-2024 as it may in its absolute discretion determine subject to applicable laws.”

**ITEM NO. 9- AUTHORISATION FOR GRANTING OF LOAN TO ESOP TRUST**

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

**“RESOLVED THAT** pursuant to the provisions of Section 67 and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof, for the time being in force), read with Rule 16 of the Companies (Share Capital and Debentures) Rules, 2014, as amended from time to time, and subject to the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (“the SEBI ESOP Regulations”), including the relevant circulars and notifications, if any, issued by the Securities and Exchange Board of India (“SEBI”) from time to time, approval of the members of the Company be and is hereby accorded to the B2B ESOP Trust (“ESOP Trust”) to acquire the new share of the Company for the purpose of implementation of the B2B Employees’ Stock Ownership Plan – 2024 (“ESOP-2024”) as approved by the Board of Directors, at such price and at such terms and conditions that the ESOP Trust may deem fit and to do all such acts, deeds and things as maybe incidental or ancillary in this regard.

**RESOLVED FURTHER THAT** pursuant to the provisions of Section 67 and all other applicable provisions, if any, of the Act, read with Rule 16 of the Companies (Share Capital and Debentures) Rules, 2014, as amended from time to time, approval of the members of the Company be and is hereby accorded to the Board of Directors (“Board” which term shall be deemed to include any Committee thereof) to extend an interest free loan to the ESOP Trust upto Rs. 40,00,000 (Rupees Forty lakhs only) or such higher amount as may be sanctioned by the Board, for subscribing the shares up to 4,00,000 (Four lakhs) equity shares of the Company for the purpose of implementation of ESOP-2024 subject to overall limits, if any, specified under the Act or the SEBI ESOP Regulations.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, the ESOP Committee and the ESOP Trust be and is hereby authorised to do all such acts, deeds, things and matters as may be considered necessary or expedient and to settle any questions, difficulties or doubts that may arise in this regard without requiring to secure any further consent or approval of the members of the Company”.

**ITEM NO. 10- TO APPROVE FOR CONTINUATION OF MATERIAL RELATED PARTY TRANSACTIONS**

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

**“RESOLVED THAT** pursuant to the provisions of Regulation 23 and all other applicable provisions, if any of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter called “the Listing Regulations”), and all applicable provisions of the Companies Act, 2013 and Rules made there under, (including any statutory modification(s) and/or re-enactment thereof for the time being in force), the Company’s Policy on Related Party Transactions, and pursuant to the recommendations of the Audit Committee and the consent of the Board of Directors of the Company, the approval of the Members of the Company be and is hereby accorded to the Company to continue agreement with Genius docs for providing services relating to product development and resource allocation.

**RESOLVED FURTHER THAT** the Board of Director of the Company or Company Secretary be and are hereby authorised to do all such acts, matters and things as may be necessary to give effect to the above resolution.”

By order of the Board  
For B2B Software Technologies Limited

Date : 26<sup>th</sup> August, 2024

Place : Hyderabad

SD/-  
**BALA SUBRAMANYAM VANAPALLI**  
Executive Director  
DIN: 06399503

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

## NOTES:

- a. Pursuant to the General Circular No. 10/2022 dated 28th December 2022, issued by Ministry of Corporate Affairs (“MCA”) read together with subsequent circular issued in this regards, the latest being 09/2023 dated September 25, 2023 in relation to “Clarification on holding of Annual General Meeting (“AGM”) through Video Conferencing (VC) or Other Audio Visual Means (OAVM)”, (collectively referred to as “MCA Circulars”) and Circular SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 05 January 2023 issued by Securities and Exchange Board of India (“SEBI”) read together with other circulars issued by SEBI in this regard (collectively to be referred to as “SEBI Circulars”), Companies are allowed to hold Annual General Meeting (“AGM”) through Video Conferencing (“VC”) or Other Audio-Visual Means (“OAVM”), without the physical presence of members at a common venue till 30 September 2024. Hence, in compliance with the said circulars and provisions of the Companies Act, 2013 (the “Act”) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), the AGM of the Company is being held through VC/OAVM. The deemed venue for the AGM shall be the registered office of the Company.
- b. Explanatory statement pursuant to Section 102 of the Act and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India, stating all material facts and reasons for certain businesses set out in the Notice is annexed hereto.
- c. Information required pursuant to Regulation 36(3) of the SEBI Listing Regulations read with the applicable provisions of Secretarial Standard-2 on General Meetings, in respect of the Directors seeking appointment/re- appointment or variation in terms of remuneration, is provided as part of this Notice. The Company has received the requisite consents/declarations for the appointment / re-appointment under the Act and the rules made there under.
- d. Since the AGM is being held through VC/OAVM, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM.
- e. Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Act read with the Companies (Management and Administration) Rules, 2014, as amended, and Regulation 44 of SEBI Listing Regulations read with circular of SEBI on e-Voting Facility provided by Listed Entities, dated 09 December 2020, the Company is providing to its Members facility to exercise their right to vote on resolutions proposed to be passed at the AGM by electronic means. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting’s agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
- f. 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 scrutinizing the entire e- voting process i.e. remote e-voting and e-voting during the AGM, to ensure that the process is carried out in a fair and transparent manner.
- g. Members are permitted to join the AGM through VC/OAVM, 15 minutes before the scheduled time of commencement of AGM and during the AGM, by following the procedure mentioned in this Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first serve basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first serve basis.
- h. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
- i. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since the AGM is being held through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility



for appointment of proxies by the Members will not be available for the AGM., The Proxy Form as well as the Attendance Slip are, therefore, not annexed to this Notice.

- j. In case of joint holders, only such joint holder who is higher in the order of names will be entitled to vote during the AGM.
- k. Members who still hold share certificate(s) in physical form are advised to dematerialize their shareholding to avail the benefits of dematerialization, which includes easy liquidity since trading is permitted in dematerialized form only, electronic transfer, savings in stamp duty and elimination of any possibility of loss of documents. Further, with effect from April 1, 2019, requests for transfer of securities are not permitted unless the securities are held in a dematerialized form with a depository except in case of transmission or transposition of securities as per SEBI Listing Regulations. Members who still hold share certificate(s) in physical form are advised to dematerialize their shareholding at the earliest.
- l. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company's website at [www.b2bsoftech.com](http://www.b2bsoftech.com) and on the website of the Company's Registrar and Transfer Agents, [www.cilsecurities.com](http://www.cilsecurities.com) It may be noted that any service request can be processed only after the folio is KYC Compliant.
- m. Members desiring any information on the Accounts are requested to write to the Company at least one week (7 days) before the Meeting so as to enable the Management to keep the information ready. Replies will be provided only at the Meeting.

**n. Electronic Dispatch of Annual Report and Process for Registration of e-mail id:**

Pursuant to Sections 101 and 136 of the Act read with the relevant Rules made there under and Regulation 36 of the SEBI Listing Regulations, companies can send Annual Reports and other communications through electronic mode to those Members who have registered their e-mail addresses with the Company or Depositories. In accordance with the Circulars issued by MCA and SEBI, the Annual Report containing financial statements (including Report of Board of Directors, Auditor's report or other documents required to be attached therewith), and such statements including the Notice of the AGM are being sent through electronic mode to those Members whose e-mail address is registered with the Company or the Depositories. Members may note that the Notice of the 30th AGM and the Annual Report 2023-24 are also available on the Company's website <https://b2bsoftech.com> website of the Stock exchanges i.e. BSE Limited: [www.bseindia.com](http://www.bseindia.com). The Notice is also disseminated on the website of CDSL (agency providing the remote e-voting facility and e-voting during the AGM) at [www.evotingindia.com](http://www.evotingindia.com).

For the purpose of receiving the Notice of the AGM and the Annual Report through electronic mode in case the email address is not registered with the respective DPs / Company / RTA, Members may register the email IDs using the facility provided by the Company through the following link available on its website: <https://www.cilsecurities.com>. Members who have not yet registered their e-mail addresses are requested to register the same with their DPs in case the shares are held by them in dematerialized form and with Company/ RTA in case the shares are held by them in physical form.

**IMPORTANT NOTICE TO SHAREHOLDERS HOLDING SHARES IN PHYSICAL MODE:**

SEBI has vide circular no. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated November 3, 2021, mandated furnishing of PAN, KYC and Nomination by Members holding shares in physical form. In view of the same, it may be noted that any service request can be processed only after the folio is PAN, KYC and Nomination compliant. The concerned shareholders are requested to furnish the requisite documents/ information at the earliest. Non-availability of the same will result in freezing of the folios of such shareholders pursuant to the aforesaid SEBI

circular. These frozen folios will be referred by the RTA/Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/or Prevention of Money Laundering Act, 2002, after December 31, 2025

Further, SEBI has vide its circulars dated January 24, 2022 and January 25, 2022 mandated listed companies to issue securities in demat form only while processing service requests viz. Issue of duplicate securities certificate, claim from Unclaimed Suspense Account, Renewal/Exchange of securities certificate, Endorsement, Sub division/ Splitting of securities certificate, Consolidation of securities certificates/folios, Transmission and Transposition. Accordingly, Members are requested to make service requests in prescribed Form ISR-4, as available on the Company's website at <https://b2bsofttech.com>

- o. Since the AGM will be held through VC / OAVM, the route map is not annexed to the Notice.
- p. Pursuant to the provisions of Section 72 of the Act read with the rules made there under, Members holding shares in a single name may avail the facility of nomination in respect of the shares held by them. Members holding shares in physical form may avail this facility by sending a nomination in the prescribed Form No. SH-13 to the Registrar and Share Transfer Agent. The relevant nomination form is appended to this notice. Further, in terms of SEBI Circular dated February 24, 2022, all existing shareholders holding shares in trading and demat accounts shall provide their choice of nomination, failing which such trading accounts shall be frozen for trading and demat accounts shall be frozen for debits. Accordingly, Members are urged to update their nomination details for their respective accounts by contacting their respective Depository Participant(s)
- q. 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.

Investor Grievance Redressal: The Company has designated an e-mail ID i.e. [investorservice@b2bsofttech.com](mailto:investorservice@b2bsofttech.com) to enable the investors to register their complaints/send correspondence, if any.

#### **THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:**

- (i) The voting period begins on Monday, the 23<sup>rd</sup> September, 2024 at 9.00 A.M and ends on Wednesday the 25<sup>th</sup> September, 2024 at 5.00 P.M. 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 19<sup>th</sup> September 2024 cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter and the same will be enabled during the AGM for the Members who have not casted their vote through remote e-voting.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders / retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India.

This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e- voting process.

- (iv) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e- Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode** is given below:

| Type of shareholders  | Login Method   |
|---|--|
| Individual Shareholders holding securities in Demat mode with <b>CDSL</b> | <ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e- Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a>.</li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol> |
| Individual Shareholders holding securities in demat mode with <b>NSDL</b> | <ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e- Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> </ol>   |

|   |   |
|---|---|
|   | 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/ Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting |
| Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants</b> | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/ CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.   |

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

| Login type  | Helpdesk details   |
|---|--|
| Individual Shareholders holding securities in Demat mode with <b>CDSL</b> | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 and 22-23058542-43. |
| Individual Shareholders holding securities in Demat mode with <b>NSDL</b> | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30               |

(v) Login method for e-Voting and joining virtual meeting for shareholders other than individual **shareholders holding in Demat form & physical shareholders.**

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on “Shareholders” module.
- 3) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

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

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e- voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN of B2B Software Technologies Limited.
- (x) 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.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) 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.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) 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.

**(xvi) Facility for Non – Individual Shareholders and Custodians –Remote Voting**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- Alternatively, Non-Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who a
- re authorized to vote, to the Scrutinizer and to the Company at the email address viz; investorservice@b2bsoftech.com (designated email address by company) , if they have voted from individual tab & not uploaded same in the CDSL e- voting system for the scrutinizer to verify the same.

#### **INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask at least questions during the meeting may register themselves as a speaker by sending their request in advance atleast **seven (7) days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at investorservice@b2bsoftech.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance seven (7) **days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at investorservice@b2bsoftech.com. These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

#### **PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can

write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022- 23058738 and 022-23058542/43.

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

#### **Declaration of Results:**

- 1) The scrutinizer shall, immediately after the conclusion of voting during the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairperson of the Company or the person authorized by him, who shall countersign the same.
- 2) Based on the scrutinizer's report, the Company will submit within 48 hours of the conclusion of the AGM to the Stock Exchanges, details of the voting results as required under Regulation 44(3) of the SEBI Listing Regulations.
- 3) The results declared along with the scrutinizer's report, will be hosted on the website of the Company at <https://b2bsofttech.com> and on the website of CDSL, immediately after the declaration of the result by the Chairperson or a person authorised by him in writing and communicated to the Stock Exchanges.

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

##### **ITEM No.4 Appointment of Mr. Lakshminarayana Bolisetty**

Pursuant to Section 161 of the Companies Act, 2013 and Regulation 17(1A) of the Listing regulations, the Board, on June 28, 2024 appointed Mr. Lakshminarayana Bolisetty as an Additional Director in the capacity of Independent Director of the Company for a term of 5 (Five) years with effect from June 28, 2024 to June 27, 2029 including the period from June 06th 2027 when he shall attain 75 years of age and in the view of same, Board of Directors recommends passing of Special Resolutions under item no 4 for his appointment.

The Company has received the following from Mr. Lakshminarayana Bolisetty:

- (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 ("the Appointment Rules");
- (ii) Intimation in Form DIR-8 in terms of the Appointment Rules to the effect that he is not disqualified under sub-section (2) of Section 164 of the Act;
- (iii) A declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act and under the LODR Regulations;
- (iv) Declaration pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated June 20, 2018, and NSE Circular No. NSE/ CML/2018/24 dated June 20, 2018, that he has not been debarred from holding office of a director by virtue of any order passed by SEBI or any other such authority;
- (v) Confirmation that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties as an Independent Director of the Company;
- (vi) A declaration that he is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to his registration with the data bank of independent directors maintained by the Indian Institute of Corporate Affairs.

The Company has received notice in writing by him proposing his candidature under Section 160 of the Act.

The Nomination and Remuneration Committee (NRC) had previously finalized the desired attributes for the selection of the independent director(s). Based on those attributes, the NRC recommended the candidature of Mr. Lakshminarayana Bolisetty. In the opinion of the Board, He fulfils the conditions for independence specified in the Act, the Rules made thereunder, the LODR Regulations and such other laws / regulations for the time being in force, to the extent applicable to the Company. The Board noted that his skills, background and experience are aligned to the role and capabilities identified by the NRC and that he is eligible for appointment as an Independent Director.

A copy of the draft letter for the appointment of Mr. Lakshminarayana Bolisetty as an Independent Director setting out the terms and conditions is available for electronic inspection by the members during normal business hours on working days up to date of AGM.

The resolution seeks the approval of members for the appointment of Mr. Lakshminarayana Bolisetty as an Independent Director of the Company for a term of 5 (Five) years effective June 28, 2024 to June 27, 2029 (both days inclusive) pursuant to Sections 149, 152 and other applicable provisions of the Act and the Rules made thereunder including any statutory modification(s) or re-enactment(s) thereof and he shall not be liable to retire by rotation.

In compliance with Section 149 read with Schedule IV to the Act and Regulation 25 of the LODR Regulations, the approval of the Members is sought for the appointment of Mr. Lakshminarayana Bolisetty as an Independent Director of the Company, as a special resolution.

No director, KMP or their relatives except Mr. Lakshminarayana Bolisetty, to whom the resolution relates, is interested in or concerned, financially or otherwise, in passing the proposed resolution set out in item no. 4.

The Board recommends the special resolution as set out in Item no. 4 of this notice for the approval of members.

#### **ITEM No.5 Appointment of Mr. Sreeramulu Kavuri**

Pursuant to Section 161 of the Companies Act, 2013, the Board, on June 28, 2024, appointed Mr. Sreeramulu Kavuri as an Additional Director in the capacity of Independent Director of the Company for a term of 5 (Five) years with effect from June 28, 2024 to June 27, 2029 (both days inclusive) subject to the approval of the shareholders through a special resolution.

The Company has received the following from Mr. Sreeramulu Kavuri:

- (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 (“the Appointment Rules”);
- (ii) Intimation in Form DIR-8 in terms of the Appointment Rules to the effect that he is not disqualified under sub-section (2) of Section 164 of the Act;
- (iii) A declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act and under the LODR Regulations;
- (iv) Declaration pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated June 20, 2018, and NSE Circular No. NSE/ CML/2018/24 dated June 20, 2018, that he has not been debarred from holding office of a director by virtue of any order passed by SEBI or any other such authority;
- (v) Confirmation that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties as an Independent Director of the Company;
- (vi) A declaration that he is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to his registration with the data bank of independent directors maintained by the Indian Institute of Corporate Affairs.

The Company has received notice in writing by him proposing his candidature under Section 160 of the Act.

The Nomination and Remuneration Committee (NRC) had previously finalized the desired attributes for the selection of the independent director(s). Based on those attributes, the NRC recommended the candidature of Mr. Sreeramulu Kavuri. In the opinion of the Board, He fulfils the conditions for independence specified in the Act, the Rules made thereunder, the LODR Regulations and such other laws / regulations for the time being in force, to the extent applicable to the Company. The Board noted that his skills, background and experience are aligned to the role and capabilities identified by the Nomination and Remuneration Committee and that he is eligible for appointment as an Independent Director.

A copy of the draft letter for the appointment of Mr. Sreeramulu Kavuri as an Independent Director setting out the terms and conditions is available for electronic inspection by the members during normal business hours on working days up to date of AGM.



The resolution seeks the approval of members for the appointment of Mr. Sreeramulu Kavuri as an Independent Director of the Company for a term of 5 (Five) years effective June 28, 2024 to June 27, 2029 (both days inclusive) pursuant to Sections 149, 152 and other applicable provisions of the Act and the Rules made thereunder including any statutory modification(s) or re-enactment(s) thereof) and he shall not be liable to retire by rotation.

In compliance with Section 149 read with Schedule IV to the Act and Regulation 25 of the LODR Regulations, the approval of the Members is sought for the appointment of Mr. Sreeramulu Kavuri as an Independent Director of the Company, as a special resolution.

No director, KMP or their relatives except Mr. Sreeramulu Kavuri, to whom the resolution relates, is interested in or concerned, financially or otherwise, in passing the proposed resolution set out in item no. 5.

The Board recommends the special resolution as set out in Item no. 5 of this notice for the approval of members.

#### **Item No. 6 Appointment of Mrs. Parvatha Samantha Reddy (DIN- 00141961)**

The Board of Directors in the meeting held on 26th August 2024, appointed Mrs. Parvatha Samantha Reddy (DIN-00141961) as an Additional Director (Category: Non-Executive and Non Independent) of the Company who holds office up to the date of ensuing Annual General Meeting or the last date on which the annual general meeting should have been held, whichever is earlier pursuant to the provisions of Section 161(1) of the Companies Act, 2013 ('the Act') and the Articles of Association of the Company.

Pursuant to Regulation 17(1C) of SEBI LODR Regulations, the listed entity shall ensure that approval of shareholders for appointment or re-appointment of a person on the Board of Directors is taken at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier.

Accordingly, the Board of Directors recommends the passing of the above resolution as a Special Resolution set out in the item no. 6 of the notice for appointment of Mrs. Parvatha Samantha Reddy (DIN- 00141961) as Non-Executive and Non-Independent Director of the Company.

The Company has received the following from Mrs. Parvatha Samantha Reddy (DIN- 00141961):

- (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 ("the Appointment Rules");
- (ii) Intimation in Form DIR-8 in terms of the Appointment Rules to the effect that she is not disqualified under subsection (2) of Section 164 of the Act;
- (iii) Declaration pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated June 20, 2018, and NSE Circular No. NSE/ CML/2018/24 dated June 20, 2018, that she has not been debarred from holding office of a director by virtue of any order passed by SEBI or any other such authority;

The Company has received notice in writing by her proposing her candidature under Section 160 of the Act.

Mrs. Parvatha Samantha Reddy is holding 15,900 equity shares in the Company.

This Explanatory Statement together with the annexure accompanying Notice may be regarded as a disclosure under Regulation 36 of the Listing Regulations.

Except, Mrs. Parvatha Samantha Reddy and her relatives, no other Directors, Key Managerial Personnel of the Company, or their relatives, are in any way concerned or interested financially or otherwise in the said resolution.

#### **Item No 7: Performance Bonus**

Mr. Bala Subramanyam Vanapalli (DIN:06399503) was re-appointed as Whole time Director for another period of 3years in the Annual general meeting held on 29th September, 2023. One of the terms and conditions of his reappointment is payment of performance bonus based on the performance of the company.

The Board (based on the recommendation of the Nomination and Remuneration Committee), in recognition to the exemplary leadership demonstrated by Mr., Bala Subramanyam Vanapalli (DIN: 06399503) approved the Payment of Performance Bonus for an amount of Rs. 17,18,581/- for the financial year 2023-2024 which is in the limits as per the Companies Act, 2013.

Approval of Members is required by way of Special Resolution for the payment of Bonus to the Whole Time Director. It is hereby confirmed that the total remuneration to Mr. Bala Subramanyam Vanapalli, Whole time Director (DIN:06399503) for the Financial Year 2023-2024 (including salary, allowance etc., and bonus as above) is well within the limits prescribed under Schedule V of the Companies Act, 2013.

The Board of Directors recommends Resolution no 7 for approval by members.

Except, Mr. Bala Subramanyam Vanapalli (DIN: 06399503) and his relatives no other Directors, Key Managerial Personnel of the Company, or their relatives, are in any way concerned or interested financially or otherwise in the said Resolution.

### **Item Number 8- Modification of ESOP Scheme**

Stock options represent a reward system based on performance. They help companies to attract, retain and motivate the best available talent. Stock options also have gone a long way in aligning the interest of the employees with that of the organization besides providing employees an opportunity to participate in the growth of the Company and creating long term wealth in their hands.

The Board of Directors of the Company at its meeting held on 26th August 2024, keeping in view the aforesaid objectives, modified the ESOP Scheme 2007 as B2B EMPLOYEES' STOCK OWNERSHIP PLAN – 2024 (“ESOP-2024”). At the said meeting, the Board authorized the NRC Committee for the superintendence of the ESOP-2024.

Grant of stock options under the ESOP-2024 shall be as per the terms and conditions as may be decided by the ESOP Committee from time to time in accordance with the provisions of Companies Act, 2013, the rules made thereunder and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (“SEBI ESOP Regulations”). The ESOP-2024 is proposed to be implemented through the B2B Trust (“ESOP Trust”). The ESOP trust will utilize 600,000 equity shares currently held in trust and will subscribe to an additional 400,000 equity shares through further issue by the Company for this purpose.

Under the Companies Act, 2013 and SEBI ESOP Regulations, a special resolution from the members is required to approve the modification of stock option plan that involves using shares held in trust and subscribing to new shares issued by the Company for ESOP purposes.

The salient features of the ESOP-2024 are as under:

#### **1. Brief Description of the Scheme**

The objective of the Scheme is to provide sense of ownership and participation to the employees in the Company and to attract new talent which will ultimately contribute to the success of the Company.

#### **2. Total number of Options to be granted**

- (i) A total of 10,00,000 (Ten Lakhs Only) options would be available for grant to the eligible employees of the Company and its director(s) excluding independent directors under ESOP-2024.
- (ii) Number of options shall be adjusted due to any corporate action(s) such as rights issue, bonus issue, buy-back of shares, split or consolidation of shares etc. of the Company.
- (iii) Each option when exercised would give the option holder a right to get one fully paid equity share of the Company.
- (iv) In cases where options, whether vested or unvested, lapse, expire or are forfeited, for any reason, the Nomination and Remuneration Committee may re –issue the options to other eligible employees. The options so issued shall be subject to the terms and conditions of the ESOP – 2024.

#### **3. Implementation of ESOP-2024 Through ESOP Trust**

The ESOP-2024 would be implemented through the ESOP Trust. The ESOP Trust shall be authorized to subscribe new equity shares through further issue by the Company for this purpose. The Company proposes to provide financial assistance to the ESOP Trust for this purpose subject to the overall limits specified under the applicable laws. In terms of the SEBI ESOP Regulations, the ESOP Committee shall delegate the administration and implementation of the ESOP-2024 to the ESOP Trust.

#### **4. Classes of employees entitled to participate in the ESOP-2024**

Present and future, permanent employees and directors (whether whole time director or not but excluding independent directors) of the Company as may be determined by ESOP Committee from time to time, shall be eligible to participate in the ESOP-2024.

#### **5. Requirements of Vesting, period of Vesting and maximum period of Vesting**

The vesting period shall be One Year from the date of grant of options. Vesting will happen in one tranche only. The detailed terms and conditions of vesting will be governed by the ESOP – 2024.

#### **6. Exercise Price or pricing formula**

The exercise price shall be par value of the shares. Employees shall bear all tax liability in relation to the options.

#### **7. Exercise Period and process of exercise**

The exercise period shall be One year.

The grantee can exercise the options at any time after the vesting date in full by making full payment of exercise price and applicable taxes and by execution of such documents as may be prescribed by the ESOP Committee, from time to time. There shall be no lock-in period on shares transferred to employees pursuant to exercise of option.

The ESOP-2024 will permit cashless exercise of options. When a grantee exercises the option, the corresponding shares relating to such option exercised will be sold on a stock exchange in which the shares are listed and publicly traded at the time of such cashless exercise, and the grantee will be entitled to receive the difference between the selling price and the exercise price for the options exercised by him after deducting taxes payable on exercise / sale, if any, and other amounts, expenses and charges due from him (including that in connection with the sale of shares).

For the purpose of implementing the cashless exercise, the ESOP Committee shall be entitled to specify such procedures and / or mechanisms for exercise of the Options as may be necessary and the same shall be binding on the Grantee.

#### **8. Appraisal process for determining the eligibility of the employees**

The process for determining the eligibility of the employees will be specified by the Nomination and Remuneration Committee and will be based on grade, average fixed compensation of the grade, performance linked parameters such as work performance and such other criteria as may be determined by the ESOP Committee at its sole discretion, from time to time.

#### **9. Maximum number of options to be granted per employee**

The maximum number of options to be granted to an eligible employee will be determined by the Nomination and Remuneration Committee on case to case basis and shall not exceed the limit prescribed under the SEBI ESOP Regulations and other applicable laws.

#### **10. Compliance with Accounting Policies**

The Company shall comply with the disclosures, the accounting policies and other requirements as may be prescribed under the SEBI ESOP Regulations and other applicable laws from time to time.

#### **11. Method of valuation of options**

The Company will adopt the intrinsic value method for accounting purposes.

#### **12. Lock in :- Nil**

The Nomination and Remuneration Committee shall have all the powers to take necessary decisions for effective implementation of the ESOP-2024. In terms of the provisions of the SEBI ESOP Regulations, the ESOP-2024 is required to be approved by the members by passing of special resolution.

A copy of the draft ESOP-2024 will be available for inspection on all working days (Monday to Friday) between 9:30 a.m. and 6:30 p.m. at the Corporate Office of the Company.

The Board recommends the Special Resolution set forth in Item No. 8 of the Notice for approval of the Members.

None of the Directors and Key Managerial Personnel of the Company and their respective relatives are concerned or interested, financially or otherwise, in the resolutions, except to the extent of Equity Shares they may be offered to them under this ESOP Scheme 2024.

#### **ITEM NO. 9- AUTHORISATION FOR GRANTING OF LOAN TO ESOP TRUST**

In terms of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (“SEBI ESOP Regulations”), ESOP Scheme may be implemented inter-alia by using shares held by the ESOP Trust, which were issued under ESOP Scheme 2007 and by subscribing of new shares issued by the Company for ESOP Purpose.

It is proposed that the B2B ESOP Trust (“ESOP Trust”) be entrusted with the responsibility of administration and implementation of the B2B Employees’ Stock Ownership Plan-2024 (“ESOP-2024”) for this purpose. Upon approval of the members and after complying with the procedural and statutory formalities, the ESOP Trust, is empowered to acquire in one or more tranches upto 4,00,000 (Four Lakhs) equity shares of the Company through the further issue of shares by the Company for the implementation of the ESOP-2024.

The Company proposes to provide financial assistance to the ESOP Trust of upto Rs. 4,00,000 (Rupees Four Lakhs only) to acquire the new shares. It is proposed that the Board be provided with the flexibility to sanction a higher loan amount if required based on relevant circumstances. The loan shall be an interest free loan and is proposed to be utilized for implementation of the ESOP-2024. As and when the exercise price is recovered from the employees from time to time upon exercise of option, the trust shall repay the loan amount to the Company.

#### **Disclosures as required under Rule 16 of the Companies (Share Capital and Debentures) Rules, 2014:**

**1. The class of employees for whose benefit the scheme is being implemented and money is being provided for purchase of or subscription to shares:**

Present and future, permanent employees and directors (whether whole time director or not but excluding independent directors) of the Company as may be determined by ESOP Committee from time to time, shall be eligible to participate in the ESOP-2024.

**2. The particulars of the trustee or employees in whose favour such shares are to be registered:**

The shares will be registered in the name of all or any of the trustees to hold equity shares of the Company for and on behalf of the ESOP Trust.

**3. Name and address of the Trust:**

Name of Trust- B2B ESOP Trust

Address- 6-3-1112, AVR Towers, 3RD Floor, Begumpet, Behind Westside Showroom, Near Somajiguda Circle, Hyderabad, Telangana, India- 500016.

**4. Any interest of Key Managerial Personnel, Directors or Promoters in such scheme or trust and effect thereof:**

The Key Managerial Personnel and Directors are interested in the ESOP-2024 only to the extent of stock options that may be granted to them under the ESOP-2024.

**5. The detailed particulars of benefits which will accrue to the employees from the implementation of the scheme:**

Upon exercise of stock options, the eligible employees, will be entitled to equivalent number of equity shares of the Company, at a pre-determined exercise price as per the terms of grant.

**6. The details about who would exercise and how the voting rights in respect of the shares to be purchased or subscribed under the scheme would be exercised:**

In line with the requirements of the SEBI ESOP Regulations, the trustees of the ESOP Trust shall not exercise voting rights in respect of the shares of the Company held by the ESOP Trust.

In terms of the provisions of the applicable laws, approval of the members by passing of special resolution as set out under item no. 9 is sought for extending financial assistance to the trust towards acquisition of further shares.

None of the Directors or Key Managerial Personnel of the Company including their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution except to the extent of the stock options that may be granted to them under the ESOP-2024.

#### **ITEM NUMBER 10- RELATED PARTY TRANSACTION**

Your company entered into an Agreement with Genius Doc initially from 1st January, 2011 to 31st December, 2015. Subsequently the agreement was renewed for a further period of five years from 1st January, 2016 to 31st December, 2020 and thereafter for ten years on 13th November, 2020 through postal ballot after obtaining the statutory and regulatory approvals. Therefore, it is an ongoing agreement which is valid till 2030.

In view of the recent amendments in SEBI (LODR) Regulations, 2015 and as part of good corporate governance it is proposed to obtain the approval of members for enabling the Company to continue the agreement entered into with GeniusDoc. Since GeniusDoc is a related party and for continuing the agreement with the related party requires the approval of members as specified under Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, accordingly, the company get it approved in the 29th AGM held on 29th September 2023 and proposed to the members for their approval in 30th AGM to be held on 26th September 2024.

Genius Doc., Inc., USA being a 'related party' within the meaning of Section 2 (76) of the Companies Act, 2013, the transaction requires the approval of members by an Ordinary Resolution pursuant to Section 188 of the Companies Act, 2013.

The particulars of the transaction pursuant to para 3 of Explanation (1) Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014 are as follows:

| <b>Sr. No.</b> | <b>Particulars</b>   | <b>Description</b>  |
|----------------|--|---|
| 1              | Name of the related party  | Genius Doc, Inc ., USA  |
| 2              | Name of the director or key managerial personnel who is related Nature of relationship                         | Dr. Ramachandra Rao Nemani, CEO and Mr. Sunil Nemani, CFO are related   |
| 3              | Nature of relationship   | Ms. Pratima Nemani, Director of the Genius Doc Inc ., is the daughter of Dr. Ramachandra Rao Nemani and sister of Mr. Sunil Nemani.   |
| 4              | Nature, material terms, monetary value and particulars of the contract or arrangement                          | Company desires to enter into a business relationship pursuant to which Company would develop software applications for the Client including but not limited to testing, maintenance, network and support functions as requested by the Client. |
| 5              | Any other information relevant to or important for the members to make a decision on the proposed transaction: | No other director or key managerial personnel, except Dr. Ramachandra Rao Nemani, CEO and Mr. Sunil Nemani, CFO being related to Pratima Nemani , Director of Genius Doc, are interested in or concerned with the resolution.                   |

None of the Director, Company Secretary and their relatives are interested. Dr. Ramachandra Rao Nemani, CEO and Mr. Sunil Nemani, CFO and their relatives are interested in the resolution.

The Board recommends the resolution set forth item no 10 for approval of members.

**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                                | Dr. Yaramati Satyanarayana   | Mr. Lakshminarayana Bolisetty  | Mr. Sreeramulu Kavuri  | Mrs. Parvatha Samntha Reddy  |
|---|--|--|--|--|
| Category  | Director   | Independent Director   | Independent Director   | Non Independent Director   |
| DIN   | 00360679   | 02766709   | 01999979   | 00141961   |
| Qualification                                       | Postgraduate   | Chartered Accountant   | Masters in Commerce  | Masters in Strategy and Leadership for Senior Executives   |
| Brief Profile/ Nature of expertise in specific area | <p>Dr. Yaramati Satyanarayana holds M.D degree from Andhra University with specialization in the field of Dermatology. He has vast experience in the field of medicine and has been successful in the practice of Dermatology.</p> | <p>Mr. Lakshminarayana Bolisetty, is a Masters in Commers (M.Com) and is a Chartered Financial Analyst (CFA). He retired in the Top Management cadre, as General Manager from Corporation Bank, (now merged with Union Bank of India). He had an illustrious career in the Banking sector with wide experience in banking having worked in rural and corporate credit. He had held important positions in the Bank such as Company Secretary of the Bank, Head of Investment &amp; International Banking Division and headed two important Zones of the Bank namely Hyderabad and Mumbai.</p> <p>He was on the panel of Interview Board for recruitment of officers in public sector banks. He is also on the panel of Arbitrators for NSE, BSE &amp; MCEDX.</p> | <p>Mr. Sreeramulu Kavuri, aged 61 years, is practicing as Chartered Accountants in the name and style of M/s Sreeramulu &amp; Co., as Proprietary concern wef 05th May 2016. He is a fellow member of Institute of Chartered Accountants of India (ICAI). He is proficient in the work of filings of ITR's, attending for IT scrutiny works, GST works, assisting for maintenance of books of accounts and other advisory services and has an experience of more than 27 years. He worked as Branch Statutory Auditor for nationalized banks, also worked in Deccan Chronicle as Accounts Manager in Vijayawada unit for nearly 17 months ie from Nov.1991 to March 1993 .</p> | <p>Mrs. Parvatha Samantha Reddy (DIN-00141961), is a promoter of the Company. She is graduated from London Business School in 2011 with a Sloan fellowship, Masters in Strategy and Leadership for Senior Executives.</p> <p>She has 25 + years of professional and entrepreneurial experience in for profit and not for profit enterprises, Large corporate and start-up companies in varied role ranging from Business strategy to financial management and product management.</p> <p>Mrs. Parvatha Samantha Reddy co-founded B2B Software Technologies Ltd, initiated and built ground up enterprise business solutions and healthcare division.</p> |

|  |   |  |  |  |
|--|---|--|--|--|
|  |   | He was also CEO & CFO of an Asset Reconstruction Company for over 6 years which deals in stressed assets of Banks and financial institutions. Presently he is on the Board of few companies as independent director. | He served as Finance Manager in M/s Doctors Organic Chemicals Ltd for 4 years 3 months from April 1993 to June 1997, presently the same Company taken over by M/S Wanbury Ltd, Mumbai. He started working as a practicing chartered accountant after obtaining his certificate of practice in the month of July, 1997. | Mrs. Samantha was conferred the Woman Achiever award by the State of Telangana on May 8th, 2023, for outstanding achievement in Social Service / Entrepreneurship by Satyavathi Rathod, the Minister for Tribal Welfare, Women and Child Welfare of Telangana. |
| Date of First appointment on the Board                     | 31.01.2000  | 28.06.2024   | 28.06.2024   | 26.08.2024   |
| Terms and conditions of appointment                        | Proposed to be re-appointed as Director of the Company liable to retire by rotation | As per the resolution of this Notice read with the explanatory statement thereto   | As per the resolution of this Notice read with the explanatory statement thereto   | As per the resolution of this Notice read with the explanatory statement thereto   |
| Shareholding in the Company as on 31.03.2024               | NIL   | NIL  | NIL  | 15,900 shares  |
| Directorship held in other Companies                       | NIL   | 1. Kisaan Parivar Industries Limited<br>2. B N. Rathi Securities Limited<br>3. Natco Pharma Limited<br>4. Sampurn Vyapaar Private Limited<br>5. Mahathi Infra Services Private Limited                               | NIL  | 1. Ravileela Granities Limited<br>2. TKG Healthcare Private Limited<br>3. Qnext Stone Products Private Limited .   |
| Chairmanship/ membership of Committees of listed Companies | NIL   | 1. B2B Software Technologies Limited.<br>-Audit Committee-Member   | NIL  | 1. B2B Software Technologies Limited-<br>-Audit Committee-Member   |

|  |  |  |  |   |
|--|--|--|--|---|
|  |  | <ul style="list-style-type: none"> <li>- Nomination and Remuneration Committee- Chairman.</li> <li>2. Kisaan Parivar Industries Limited</li> <li>- Audit Committee- Member</li> <li>- Nomination and Remuneration Committee- Member.</li> <li>3. Natco Pharma Limited</li> <li>- Audit Committee- Member</li> <li>- Nomination and Remuneration Committee- Member</li> <li>- Risk Management Committee- Member.</li> </ul> |  | <ul style="list-style-type: none"> <li>- Nomination and Remuneration Committee -Member</li> <li>-Stakeholder Committee- Member.</li> <li>2.Ravileela Granities Limited</li> <li>-Stakeholder Relationship Committee-Member</li> </ul> |
|--|--|--|--|---|

Date : 26<sup>th</sup> August, 2024  
Place : Hyderabad

By order of the Board  
For B2B Software Technologies Limited

SD/-  
**BALA SUBRAMANYAM VANAPALLI**  
Executive Director  
DIN: 06399503

Registered Office: 3<sup>rd</sup> Floor, AVR Towers,  
6-3-1112, Behind West Side Showroom, Near Somajiguda Circle,  
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 Thirtieth Annual Report of your Company together with the Audited Accounts including Consolidated Accounts for the financial year ended March 31, 2024 and the report of the Auditors thereon.

### 1. FINANCIAL RESULTS: (In Lakhs)

| PARTICULARS  | Standalone    |               | Consolidated  |               |
|--|---------------|---------------|---------------|---------------|
|  | 2023-2024     | 2022-2023     | 2023-2024     | 2022-2023     |
| Revenue from Operations  | 1392.32       | 1340.07       | 2032.28       | 1977.38       |
| Other Income   | 134.14        | 74.95         | 134.14        | 74.95         |
| Profit/ Loss before Depreciation, Finance Costs, Exceptional Items and Tax Expense | 1526.46       | 1415.02       | 2166.42       | 2052.33       |
| Less: Depreciation / Amortisation / Impairment                                     | 16.49         | 11.09         | 16.49         | 11.09         |
| Profit / Loss before Finance Costs, Exceptional Items and Tax Expense              | 1509.97       | 1403.93       | 2149.93       | 2041.24       |
| Less: Other Expenses   | 1282.50       | 1146.60       | 1910.41       | 1772.69       |
| Profit/ Loss before Exceptional Items and Tax Expense                              | 227.47        | 257.33        | 239.52        | 268.55        |
| Add/ Less: Exceptional Items   | -             | -             | -             | -             |
| Profit/ Loss before Tax Expense  | 227.47        | 257.33        | 239.52        | 268.55        |
| Less: Tax Expense (Current & Deferred)   | 55.02         | 30.28         | 55.02         | 30.28         |
| <b>Profit/ Loss for the year (1)</b>   | <b>172.45</b> | <b>227.05</b> | <b>184.50</b> | <b>238.27</b> |
| Total Comprehensive Income/ Loss (2)   | (0.59)        | (11.05)       | (0.59)        | (11.05)       |
| <b>Total (1+2)</b>   | <b>171.86</b> | <b>215.99</b> | <b>183.91</b> | <b>227.21</b> |
| Balance of Profit/(Loss) for earlier years   | -             | -             | -             | -             |
| Less: Transfer to Debenture Redemption Reserve                                     | -             | -             | -             | -             |
| Less: Transfer to Reserves   | -             | -             | -             | -             |
| Less: Dividend paid on Equity Shares   | -             | -             | -             | -             |
| Less: Dividend paid on Preference Shares   | -             | -             | -             | -             |
| Less: Dividend Distribution Tax  | -             | -             | -             | -             |
| Balance carried to Balance Sheet (A-B)   | -             | -             | -             | -             |

### 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

Your Company is one of the Gold Certified 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. Detailed discussion on the operations is given in the Management Discussion and Analysis forming part of this report.

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

### 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 2023 – 2024.

### 5. TRANSFER TO RESERVES:

The profit of Rs. 171.86/- (in lakhs) earned during the year will be retained in the company to meet the future requirements. Hence your company does not propose to transfer any amount to the Reserves.

### 6. CHANGE IN NATURE OF BUSINESS, IF ANY:

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

### 7. CHANGES IN SHARE CAPITAL:

During the Financial year 2023-24 the Authorized Share Capital and Paid-Up Capital as at 31st March 2024 stood at Rs. 1200.00/- (in lakhs) and Rs. 1158.54/- (in lakhs) respectively. The Company had neither issued any shares nor instruments convertible into equity shares of the Company or with differential voting rights nor has granted any stock options or sweat equity.

### 8. DIVIDEND:

In order to conserve cash for the Company’s operations, the Directors do not recommend any dividend for the year under review. The Company does not propose to carry any amount to the reserves.

### 9. INVESTOR EDUCATION AND PROTECTION FUND (IEPF):

Pursuant to the applicable provisions of the Companies Act, 2013, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (“the IEPF Rules”), all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF, established by the Government of India after the completion of seven years. Further, according to the Rules, the shares on which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account of the IEPF Authority.

However, there are no amount/shares available to be transferred to Investor Education and Protection Fund (IEPF) during the year under review.

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

There are no other material changes and commitments in the business operations of the Company from the financial year ended 31st March 2024, except the following -

- \* On the Recommendation of Nomination and remuneration committee the Board has appointment Mr. Sreeramulu Kavuri (DIN- 01999979) and Mr. Lakshminarayana Bolisetty (DIN- 02766709) as an independent Directors of the company for the period of 5 year w.e.f 28th June 2024, subject to approval members in the ensuing AGM.
- \* On the Recommendation of Nomination and remuneration committee the Board appointed Mrs. Parvatha Samantha Reddy (DIN- 00141961) as an additional director of the Company in their meeting held on 26th August 2024 and her appointment will be regularized in the ensuing Annual general meeting to be held on 26th

September 2024. She will be liable to retire by rotation.

- \* Mr. Suresh Chode (DIN- 03473921), Non-executive Director has tendered his resignation with effect from 26th August 2024.
- \* The Board of Directors, based on the recommendation of the NRC Committee, has approved the modification to the ESOP Scheme 2007. The purpose of the modification is to utilize the 6,00,000 shares issued to the ESOP Trust under ESOP Scheme 2007 (which were not utilized by any eligible employees within the due date) for granting options to employees under the revised scheme. Additionally, the Board has authorized a loan to the ESOP Trust to acquire additional 4,00,000 new shares through the shares issued by the Company for the execution of modified ESOP and recommends this proposal to the members for approval in ensuing Annual general meeting to be held on 26th September 2024.

#### **11. PERFORMANCE AND FINANCIAL POSITION OF THE SUBSIDIARY COMPANY:**

During the year, the Board of Directors ('the Board') has 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 forms 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.

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](http://www.b2bsoftech.com). These documents will also be available for inspection during business hours at our registered office of the Company during the office hours on any working day, except Saturdays and Sundays and public holidays, between 11.00 a.m. to 5.00 p.m. till the date of AGM. The aforesaid documents are also available for inspection at the AGM.

#### **12. CORPORATE GOVERNANCE:**

Pursuant to Regulation 34(3) of the SEBI Listing Regulations, Report on Corporate Governance along with the certificate from a Practicing Chartered Accountant certifying compliance with conditions of Corporate Governance, is annexed to this Annual Report.

#### **13. 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.

#### **14. STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS:**

As of March 31, 2024, Mr. M Rambabu (DIN- 03473901) and Mr. A Rambabu (DIN- 03473906) have completed their second and final terms and are no longer serving as Independent Directors of the company. Ms. Rajeswari Immani remains an Independent Director on the Board.

As on date of this report the company has appointed two independent directors –Mr. Lakshminarayana Bolisetty (DIN- 02766709) and Mr. Sreeramulu Kavuri (DIN- 01999979) as an additional director of the Company with the approval of Board in their meeting held on 28th June 2024.

Independent Directors of the Company have given requisite declarations under Section 149(7) of the Act, that they meet the criteria of independence as laid down under Section 149(6) of the Act along with Rules framed thereunder, Regulation 16(1)(b) of SEBI Listing Regulations and have complied with the Code of Conduct of the Company as applicable to the Board of directors and Senior Managers. In terms of Regulation 25(8) of the SEBI Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence. The Company has received confirmation from all the Independent Directors of their registration on the Independent Directors Database maintained by the Indian Institute of Corporate Affairs, in terms of Section 150 read with Rule 6 of the Companies (Appointment and Qualification of

Directors) Rules, 2014.

In the opinion of the Board, the Independent Directors possess the requisite expertise and experience and are persons of high integrity and repute. They fulfill the conditions specified in the Act as well as the Rules made there under and are independent of the management.

Further, declaration on compliance with Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended by Ministry of Corporate Affairs("MCA") Notification dated October 22, 2019, regarding the requirement relating to enrollment in the Data Bank created by MCA for Independent Directors, had been received from all Independent Directors.

| S.No | Name of the Director                   | ID Registration Number | No. of Years  |
|------|--|------------------------|---|
| 1    | Mr. Rambabu Mutyala<br>(DIN- 03473901) | IDDB-DI-202002-012533  | 5 years from 20th February 2020 to 19th February 2025     |
| 2    | Mr. Arumili Rambabu<br>(DIN- 03473906) | IDDB-DI-202002-015605  | 5 years from 20th February 2020 to 19th February 2025     |
| 3    | Ms. Rajeswari Immani                   | IDDB-DI-202009-031250  | 5 years from 24th September, 2020 to 23rd September, 2026 |
| 4    | Mr. Lakshminarayan<br>Bolisetty        | IDDB-DI-202002-007565  | Lifetime  |
| 5    | Mr. Sreeramulu Kavuri                  | IDDB-NR-202406-061076  | 5 years from 26th June, 2024 to 25th June, 2029           |

The Directors are being exempted from appearing for the exams of Independent Director vide amendment in The Companies (Appointment and Qualification of Directors) Rules, 2014 dated 18th December 2020.

#### 15. MEETING OF INDEPENDENT DIRECTORS:

As per Clause VII of Schedule IV to the Companies Act, 2013 read with Clause 49 (II) (B) (6) of the Listing Agreement provide that a separate meeting of Independent Directors should be held atleast once in a year.

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 held on 29th January 2024.

Your Board would like to inform that, from 1st April 2024, Mr. Arumili Rambabu and Mr. Rambabu Mutyala ceased to be Independent Director of the Company consequent to completion of their second and final term. After extensive efforts of the Management the Company has identified and appointed Mr. Sreeramulu Kavuri and Mr. Lakshminarayana as an Independent Directors of the Company on 28th June 2024, to fill the vacancy caused on the said cessions of Independent Directors of the Company.

#### 16. BOARD EVALUATION:

The annual evaluation process of the Board of Directors, individual Directors and Committees was conducted in accordance with the provisions of the Act and the SEBI Listing Regulations. The Board evaluated its performance after seeking inputs from all the Directors on the basis of criteria such as the Board composition and structure, effectiveness of Board processes, information and functioning, etc.

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 of the Committees was evaluated by the Board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc. The above criteria are broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India.

In a separate meeting of independent directors, performance of Non-Independent Directors and the Board as a whole was evaluated. The Board 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 their duties.

**17. VIGIL MECHANISM:**

The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behaviors. Pursuant to Section 177(9) of the Act, a vigil mechanism was established for directors and employees to report to the management- instances of unethical behaviors, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy. It also provides for adequate safeguards against victimization of employees who avail the mechanism.

The Vigil Mechanism also provides a mechanism for employees of the Company to approach the Chairperson of the Audit Committee of the Company for redressal. All permanent employees of the Company are covered under the policy.

There were no complaints received during the financial year under review.

**18. CHANGES IN DIRECTORS:****INDUCTIONS:**

During the year under review, The Company has re-appointed Dr. Y. Satyanarayana, Director (DIN: 00360679) as Director liable to retire by rotation in the 29th AGM held on 29th September, 2023.

**DIRECTORS LIABLE TO RETIRE BY ROTATION SEEKING REAPPOINTMENT IN THE ENSUING AGM**

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Suresh Chode (DIN- 03473921) Director of the Company is liable to retire by rotation at the ensuing Annual General Meeting and being eligible has not offered himself for re-appointment.

Consequently, Dr. Yaramati Satyanarayana (DIN: 00360679), is liable to retire by rotation. He has consented to be re-appointed as Director of the Company and stated that he stands free from disqualification to be appointed as Director.

**CEASSION OF INDEPENDENT DIRECTOR ON COMPLETION OF SECOND AND FINAL TERM**

Mr. Ram Babu Mutyala (DIN- 03473901) and Mr. Arumilli Rambabu (DIN- 03473906) ceased to be the Independent Directors of the company on 31.03.2024 consequent to completion of their second and final term.

**RESIGNATIONS:**

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

**CHANGES IN KEY MANAGERIAL PERSONNEL**Re-appointment of Whole-Time Director

Mr. Bala Subramanyam Vanapalli has re-appointed as Whole- Time Director of the Company for further period of three years with effect from 01st October 2023 to 30th September 2026 in the 29th AGM held on 29th September 2023.

The following are the KMPs 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. Ms. Prabhat Bhamini - Company Secretary and Compliance Officer

**19. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:**

During the year under review 4 (Four) Board meetings were held on the following dates:

- a. 10.05.2023
- b. 04.08.2023
- c. 03.11.2023
- d. 29.01.2024

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 have been accepted by the Board.

## 20. COMMITTEES OF THE BOARD

As on March 31, 2024, the Board had three committees:

- a) The Audit committee
- b) The Nomination and Remuneration Committee
- c) The Stakeholder's Relationship Committee.

Details of composition, terms of reference and number of meetings held for respective committees are given in the Report on Corporate Governance, which forms a part of this Annual Report. Further, during the year under review, all recommendations made by the various committees have been accepted by the Board.

### a. Audit Committee:

The Details pertaining to the Constitution of Audit Committee is mentioned as under:

Mr. M Rambabu – Chairman

Mr. A Ram Babu – Member

Mr. Chode Suresh – Member

Ms. Rajeswari Immani - Member

All members of the Audit Committee are financially literate and have experience in financial management. The Board of Directors has 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 2023-2024 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 Details pertaining to the Constitution of Nomination and Remuneration Committee is mentioned as under:

Mr. A Rambabu – Chairman

Mr. M. Rambabu – Member Mr. Chode Suresh – Member

Ms. Rajeswari Immani - Member

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 2023-2024 and the attendance of members are provided in the Corporate Governance Report, which forms part of the Directors Report.

### c. Stakeholders Relationship Committee:

The Details pertaining to the Constitution of Stakeholders Relationship Committee is mentioned as under:

1. Mr. M Rambabu – Chairperson
2. Ms. Rajeswari Immani – Member
3. Mr. V. Bala Subramanyam – Member

Mr. M Rambabu is the Chairperson of the Committee. The terms of reference and the details of meetings held during the financial year 2023-2024 and the attendance of the members are provided in the Corporate Governance Report, which forms part of the Directors Report.

**21. INTERNAL FINANCIAL CONTROL:**

A company's internal financial controls with reference to financial statements 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 controls with reference to financial statements include 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 authorizations of management and directors of the company.
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

**22. 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 2023 – 24, 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.

**23. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:**

During the financial year 2023-2024 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, whereas Company has made investment of Rs. 44,22,400/- in the shares of listed companies, similarly the Company is a regular investor in the units of liquid and debt mutual funds, which is outside the purview of the provisions of Section 186 of the Companies Act 2013, details of such investments are given in the notes to the Financial Statements. Hence, no further disclosure is being given here to avoid repetition.

**24. TRANSACTIONS WITH RELATED PARTIES:**

All contracts/ arrangements/ transactions entered by the Company during FY 2023-24 with related parties were on an arm's length basis and in the ordinary course of business. There were no material Related Party Transactions (RPTs) undertaken by the Company during the year that require Shareholders' approval under Regulation 23(4) of the SEBI Listing Regulations or Section 188 of the Act. The approval of the Audit Committee was sought for all RPTs. All the transactions were in compliance with the applicable provisions of the Act and SEBI Listing Regulations.

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: <https://b2bsoftech.com/Investors.html>

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.

## **25. 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.

## **26. TECHNOLOGY ABSORPTION, ENERGY CONSERVATION & FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Act, read along with Rule 8 of the Companies (Accounts) Rules, 2014, is annexed herewith as Annexure – III to this report.

## **27. PARTICULARS OF EMPLOYEES:**

Disclosure pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to the Report as Annexure-IV to 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.

## **28. 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 not required to furnish any information in this report as required under the provisions of the said Act.

## **29. EXTRACT OF ANNUAL RETURN:**

As provided under Section 92(3) & 134(3)(a) of the Act, Annual Return for FY 2023-24 is uploaded on the website of the Company and can be accessed at <https://b2bsoftech.com/Investors.html>.

## **30. PREVENTION OF INSIDER TRADING:**

As per SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted a Code of Fair Disclosure and Code of Conduct for regulating the dissemination of Unpublished Price Sensitive Information and trading in securities by Insiders. The trading window is closed during the time of declaration of results and occurrence of any material events.

## **31. 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. However, the Company has obtained security deposits from employees, but it is not considered as Deposits as per the provisions of Companies Act 2013 and the rules made thereunder.



## **32. THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS**

As per Clause xii read with Rule 8(5) of the Companies (Accounts) Rules 2014, No Loans from the banks/ Financial Institutions were under One Time Settlement during the year under review.

Hence, the difference between amount of Valuation done at the time of Settlement and Valuation done at the time of taking loans from the banks did not arise.

## **33. AUDITORS:**

### **a. Statutory Auditors & Auditor's Report**

Pursuant to the provisions of Section 139 (2) (b) the Companies Act, 2013 the existing Statutory Auditors have completed their term of 10 years in the Company and cease upon the conclusion of the 28th Annual General Meeting. Based on the recommendations of the Board of Directors in their meeting held on 10th August, 2022, members of the Company in their 28th Annual General meeting held on 26th September, 2022 appointed M/s. Jawahar and Associates (F.R. No: 0012815) Chartered Accountants as a statutory auditor of the Company from the conclusion of 28th Annual General Meeting till the conclusion of the 33rd Annual General Meeting without the requirement of further ratification by the members of the company in every AGM. M/s. Jawahar & Associates, Chartered Accountants hold a valid peer review certificate issued by the Institute of Chartered Accountants of India as required under the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Auditors have given their consent for appointment and stated that they stand free from disqualification for being appointed as the Statutory Auditors of the Company.

The Auditors' Report issued by the Statutory Auditors on Financial Statement for the financial year ended 31st March 2024 is with an unmodified opinion (unqualified) and is self-explanatory and therefore, do not call for any further explanation or comments from the Board under Section 134(3)(f) of the Companies Act, 2013. There were no qualifications, reservations or adverse remarks made by the Auditors in their report.

### **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 M/s. DSMR & Associates, Prop. Mr. DSM Ram, Company Secretary in Whole Time Practice to undertake the Secretarial Audit of the Company for the financial year 2023 – 2024. The Secretarial Audit report is enclosed as Annexure – VI.

Further, the Board of Directors of the Company on the recommendation of the Audit Committee, at its meeting held on 26th August 2024 has appointed M/s. DSMR & Associates, Company Secretaries to conduct Secretarial Audit for the financial year 2024-25.

### **c. Internal Auditor**

Pursuant to the provisions of Section 138 of the Companies Act 2013 read with Companies (Accounts) Rules, 2014 the Company has appointed M/s M. Vijaya Kumar & Co., Chartered Accountants, as the Internal Auditors of the Company for the financial Year 2023-24.

### **d. Annual Secretarial Compliance Report**

The Company has undertaken an audit for the financial year 2023-24 for all applicable compliances as per Securities and Exchange Board of India Regulations and Circulars/Guidelines issued thereunder. The Annual Secretarial Compliance Report issue by M/s. DSMR & Associates, Prop. Mr. DSM Ram, Company Secretary in Whole time Practice, Hyderabad has been submitted to the Stock Exchanges within the specified time and same is annexed herewith as Annexure – VII.

**REPLY TO OBSERVATION RAISED BY THE SECRETARIAL AUDITOR:**

Qualification raised by the Secretarial Auditor relating to the non-compliance of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2014:

| Sl. No. | Qualification raised by the Secretarial Auditor  | Replies by the Management  |
|---------|--|--|
| 1.      | As we observe from the records of the company that there is non-compliance with regard to requirement of maintaining 100% of promoters shareholding in Demat Form  | Promoter's shareholding is dematerialized to the extent of 69.65% and The company is continuously in follow up with the promoters who have not dematerialized their shares.  |
| 2.      | <p>As per our observation the company is in the process of ensuring compliance of Regulation 24 which states that at least one independent director on the board of directors of the listed entity shall be a director on the board of directors of an unlisted material subsidiary, whether incorporated in India or not.</p> <p>Since the Independent Directors of the Company Mr. Ram Babu Mutyala and Mr. Arumili Rambabu didn't not accord their willingness to being appointed as a Director of the Material subsidiary of the Company. Furthermore, their second and final term as Independent Director of the Company was about to completed on March 31, 2024, the compliance of regulation 24 was getting delayed.</p> | <p>To address this the Company has appointed Mr. Lakshminarayana Bolisetty (DIN -02766709) and Mr. Sreeramulu Kavuri (DIN-01999979) as the Independent Directors of the Company with the approval of Board in their meeting held on 28th June 2024. These appointments are subject to approval of members in in ensuing AGM.</p> <p>Following the members' approval, one of the newly appointed Independent Director shall be appointed as a Director on the Board of Directors of unlisted material subsidiary of the Company to comply with the above provision.</p> |
| 3.      | The Company failed to comply with Regulation 7(2) of SEBI (Prohibition of Insider Trading) Regulation 2015 which state that every promoter, member of the promoter group, designated person and director of every company shall disclose to the company the number of such securities acquired or disposed of within two trading days of such transaction if the value of the securities traded, whether in one transaction or a series of transactions over any calendar quarter, aggregates to a traded value in excess of ten lakh rupees or such other value as may be specified;  | The Company didn't receive the disclosure from Mrs. Chandralekha Meka (PAN-ATUM2351D), member of the Company under Regulation 7(2) of SEBI (Prohibition of Insider Trading) Regulation 2015 for selling of her entire holding of 40,000 equity shares resulting to that Company didn't file the information of the same to BSE limited within the specified time-limit. However, company voluntarily filed intimation with BSE Limited as soon as it observed about the said sale of shares.   |

|    |   |  |
|----|---|--|
| 4. | The Company has not provided PAN Details of few Promoters in the Shareholding Pattern filed with BSE Limited. | <p>There are 6 Promoters whose Pan details are currently unavailable for the following reasons-</p> <ul style="list-style-type: none"> <li>• Not Traceable: Three promoters are not traceable at this time.</li> <li>• Deceased: One promoter has unfortunately passed away.</li> <li>• NRIs (Non-Resident Indians): One promoter is Non-Resident Indian and another is Foreign Body trust</li> </ul> <p>However, the Company is actively working to obtain the necessary PAN details for these promoters.</p> |
|----|---|--|

#### **34. FRAUDS REPORTED BY AUDITORS:**

There are no instances of frauds reported by auditors pursuant to sub-section (12) of Section 143 which are reportable to the Central Government.

#### **35. DISCLOSURE AS PER SEXUAL HARRASSMENT 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 sexual harassment of women at workplace (prevention, prohibition and redressal) act, 2013.

During the financial year 2023-2024, the Company has not received any complaints on sexual harassment.

#### **36. 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.

#### **37. RECLASSIFICATION OF PROMOTERS**

On October 19, 2022, the Company submitted a reclassification application to BSE Ltd to move Mr. Janakirama Verma Meka and Mrs. Chandralekha Meka from the "Promoter & Promoter Group" category to the "Public Group" category. The application is pending for approval with the BSE listing operation team.

However, the said promoters on whose behalf application has been made are selling their shares through Open Market. As of the report date, Mr. Janakirama Meka Varma sold 784,270 shares and now holds 300,000 equity shares (2.59% of total equity shares) while Mrs. Chandralekha Meka has sold her entire shareholding of 40,000 equity shares in the open market.

#### **38. MAINTENANCE 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 Companies as prescribed under Sub-section (1) of Section 148 of the Companies Act 2013 and Rules framed thereunder.

#### **39. COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND GENERAL MEETING**

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

**40. CORPORATE INSOLVENCY RESOLUTION PROCESS INITIATED UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (IBC)**

No application has been filed for Corporate Insolvency Resolution process, by the company under the IBC before the National Company Law Tribunal (NCLT) during the year under review.

**41. PROVISION OF VOTING BY ELECTRONIC MEANS THROUGH REMOTE E-VOTING AND E-VOTING AT THE AGM:**

Your Company is providing E-voting facility as required under section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015. The ensuing AGM will be conducted through Video Conferencing/OVAM and no physical meeting will be held and your company has make necessary arrangements with CDSL to provide facility for remote e-voting. The details regarding e-voting facility is being given with the notice of the Meeting.

**42. 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.

For and on behalf of the Board

Place : Hyderabad

Date : 26<sup>th</sup> August, 2024

**BALA SUBRAMANYAM VANAPALLI**

Executive Director

DIN: 06399503

**YARAMATI SATYANARAYANA**

Non - Executive Director

DIN: 00360679

## 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 Rupees in lakhs)

| Sl. No. | Particulars   | Details               |
|---------|---|-----------------------|
| 1.      | Name of the Subsidiary  | B2B Softech Inc., USA |
| 2.      | The date since which subsidiary has been acquired   | 17th 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 83.3739           |
| 5.      | Share Capital   | 33.81                 |
| 6.      | Reserve & Surplus   | -                     |
| 7.      | Total Assets  | 116.27                |
| 8.      | Total Liabilities   | 116.27                |
| 9.      | Investments   | -                     |
| 10.     | Turnover  | 639.96                |
| 11.     | Profit before taxation  | 12.05                 |
| 12.     | Provision for taxation  | 12.05                 |
| 13.     | Profit after taxation   | -                     |
| 14.     | Proposed dividend   | -                     |
| 15.     | % of Shareholding   | 100                   |

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

1. Names of the subsidiaries, which are yet to commence operations: NIL
2. 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.

|  |  |   |
|--|--|---|
| Place : Hyderabad<br>Date : 24 <sup>th</sup> May, 2024 | <b>V.BALA SUBRAMANYAM</b><br>Executive Director<br>DIN: 06399503<br><br><b>SUNIL NEMANI</b><br>Chief Financial Officer<br>PAN: AWRPN7930M<br><br><b>PRABHAT BHAMINI</b><br>Company Secretary&Compliance<br>Officer ACS 69664 | <b>SURESH CHODE</b><br>Non - Executive<br>Director<br>DIN: 03473921<br><br><b>DR. RAMACHANDRA<br/>                     RAO NEMANI</b><br>Chief Executive Officer<br>PAN: AFUPN8077R |
|--|--|---|

**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  | Appointed as Chief Financial Officer   | Appointed as Chief Executive Officer   |
| Duration of the contracts / arrangements / transactions                                    | 1st January, 2021 to 31 <sup>st</sup> December, 2030   | Not Applicable   | Not Applicable   |
| Salient terms of the contracts or arrangements or transactions including the value, if any | Subject to a cancellation by the Company with three months' notice.<br>Renewal term automatic renewal for second Ten year term with the same terms and conditions.<br>Payment for resources at direct resource cost plus 50% markup. | Remuneration of Rs. 1,00,000/-payable monthly with effect from 1 <sup>st</sup> October, 2021 | Remuneration of Rs. 3,00,000/-payable monthly with effect from 1 <sup>st</sup> October, 2021 |
| Date(s) of approval by the Board,/shareholders if any                                      | In the postal ballot concluded on 28 <sup>th</sup> December, 2020  | In the 27 <sup>th</sup> AGM held on 15 <sup>th</sup> September, 2021                         | In the 27 <sup>th</sup> AGM held on 15 <sup>th</sup> September, 2021                         |
| Amount paid as advances, if any  | Nil  | Nil  | Nil  |

**3. Details of contracts or arrangements or transactions not in the ordinary course of business.**

| Sl. No. | Particulars   | Details |
|---------|---|---------|
| 1.      | Name(s) of the related party & nature of relationship   | NIL     |
| 2.      | Nature of Contracts/arrangements/transaction  | NIL     |
| 3.      | Duration of the contracts/arrangements/transaction  | NIL     |
| 4.      | Salient terms of the contracts/arrangements or transaction including the value, if any                            | NIL     |
| 5.      | Justification for entering into such contracts or arrangements or transactions                                    | NIL     |
| 6.      | Date of approval by the Board   | NIL     |
| 7.      | Amount paid as advances, if any   | NIL     |
| 8.      | Date on which the Special Resolution was passed in General Meeting as required under first proviso to section 188 | NIL     |

## 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 equipment's                    | 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   |     |
| b. innovation :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 3 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         | 2023-2024<br>(Rs. In Lakhs) | 2022-2023<br>(Rs. In Lakhs) |
|---------|--|-----------------------------|-----------------------------|
| 1.      | <b>Total Foreign Exchange Earnings</b> | 624.66                      | 698.38                      |
| 2.      | Foreign Exchange Outgo                 |                             |                             |
|         | a. On account of import                | -                           | -                           |
|         | b. On account of import of Equipment   | -                           | -                           |
|         | c. On account of Travel                | 7.95                        |                             |
|         | d. On account of payment of dividend   | -                           | -                           |
|         | <b>Total Foreign Exchange Outgo</b>    | 7.95                        |                             |

For and on behalf of the Board

Place : Hyderabad  
Date : 26<sup>th</sup> August 2024

**BALA SUBRAMANYAM VANAPALLI**  
Executive Director  
DIN: 06399503

**YARAMATI SATYANARAYANA**  
Non - Executive Director  
DIN: 00360679

**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, 2024.

| 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 financials year 2023-2024.   | Mr. Bala Subramanyam Vanapalli 13:42:0<br>Dr. Y Satyanarayana NA<br>Mr. M. Rambabu NA<br>Mr. A. Rambabu NA<br>Mr. CH Suresh NA<br>Ms. Rajeswari Immani NA  |
| 2.      | The percentage increase in remuneration of each Director, Chief Financials Officer, Chief Executive officer, Company Secretary and Manager, if any, in the Financials Year 2023-2024   | <b>DIRECTORS</b><br>Dr. Y Satyanarayana NA<br>Mr. M Rambabu NA<br>Mr. A Rambabu NA<br>Mr. CH Suresh NA<br>Ms. Rajeswari Immani NA<br><b>KEY MANAGERIAL PERSONNEL</b><br>Dr. Ramachandra Rao Nemani 0<br>Mr. Bala Subramanyam Vanapalli (3.79)<br>Mr. Sunil Nemani 0<br>Ms. Prabhat Bhamini 2.36<br>Ms. Jyothi Myntri 0 |
| 3.      | The percentage increase in the median remuneration of employees in the financial year 2023 – 2024.   | (18.07)  |
| 4.      | The number of permanent employees on the rolls of the Company as on 31st March, 2024   | 106  |
| 5.      | Average percentile increases 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 2023 – 2024 was 14.28% in comparison with (3.79)% increase managerial remuneration.  |
| 6.      | Affirmation that the is as per the remuneration policy of the company  | Remuneration paid during the year ended 31st March 2024 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, 2024

| <b>(A) Personnel who are in receipt of remuneration aggregating not less than Rs. in lakhs 102.00 per annum and employed through out of the financial year</b> |                                |                      |               |                                    |              |                 |
|--|--------------------------------|----------------------|---------------|------------------------------------|--------------|-----------------|
| Name   | Designation & Nature of Duties | Remuneration (Gross) | Qualification | Date of Commencement of Employment | Age in Years | Last Employment |
| <b>NIL</b>   |                                |                      |               |                                    |              |                 |

| <b>(B) Personnel who are in receipt of remuneration aggregating not less than Rs. in lakhs 8.50 per month and employed for part of the financial year</b> |                                |                      |               |                                    |              |                 |
|---|--------------------------------|----------------------|---------------|------------------------------------|--------------|-----------------|
| Name  | Designation & Nature of Duties | Remuneration (Gross) | Qualification | Date of Commencement of Employment | Age in Years | Last Employment |
| <b>NIL</b>  |                                |                      |               |                                    |              |                 |

For and on behalf of the Board

Place : Hyderabad

Date : 26<sup>th</sup> August, 2024

**BALA SUBRAMANYAM VANAPALLI**

Executive Director

DIN: 06399503

**YARAMATI SATYANARAYANA**

Non - Executive Director

DIN: 00360679

STATEMENT OF PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

List of Top 10 salaried employees for the financial year ended March 31, 2024

| S. No. | Name & Designation         | Remuneration received during the period from April 1, 2022 to March 31, 2023 | Nature of Employment | Qualifications and experience of the employee | Date of commencement of employment | Age | The last employment held before joining the Company | Whether is a relative of any director or manager of the Company | The percentage of equity shares held by the employee in the Company within the meaning of clause (iii) of sub-rule (2) of Rule 5 |
|--------|----------------------------|--|----------------------|---|------------------------------------|-----|---|---|--|
| 1      | Bala Subramanyam Vanapalli | 30,00,000  | Permanent            | M Tech & 29 Years                             | 01-07-2004                         | 52  | HIL   | NO  | NA   |
| 2      | Shaik Nayeem Basha         | 21,19,824  | Permanent            | MISCA & 22 Years                              | 18-12-2001                         | 45  | NIIT  | NO  | NA   |
| 3      | R. Vijaya Manohar          | 21,03,528  | Permanent            | B Tech & 17 Years                             | 04-07-2005                         | 38  | NA  | NO  | NA   |
| 4      | V. Madhu Sudhan Rao        | 21,30,600  | Permanent            | M Com & 28 Years                              | 23-12-2019                         | 52  | Infosys   | NO  | NA   |
| 5      | Kolli Satish               | 21,24,000  | Permanent            | B Tech & 11 Years                             | 01-07-2011                         | 32  | NA  | NO  | NA   |
| 6      | Ch. Sudheer Kumar          | 16,97,544  | Permanent            | B Tech & 14 Years                             | 02-01-2008                         | 36  | NA  | NO  | NA   |
| 7      | G V Ramachandra Raju       | 16,16,544  | Permanent            | M Sc(IT) & 17 Years                           | 04-07-2005                         | 42  | NA  | NO  | NA   |
| 8      | D Mahammad Rafi            | 16,80,000  | Permanent            | M B A & 11 Years                              | 26-12-2014                         | 37  | NA  | NO  | NA   |
| 9      | N. Narayana Rao            | 14,97,780  | Permanent            | M C A & 15 Years                              | 01-12-2009                         | 42  | NA  | NO  | NA   |
| 10     | N. Srikar                  | 19,22,004  | Permanent            | B Tech & 7 Years                              | 02-04-2015                         | 29  | NA  | NO  | NA   |

For and on behalf of the Board

Place : Hyderabad

Date : 26<sup>th</sup> August, 2024

**BALA SUBRAMANYAM VANAPALLI**

Executive Director

DIN: 06399503

**YARAMATI SATYANARAYANA**

Non - Executive Director

DIN: 00360679

## Annexure – VI to the Directors Report

### Secretarial Audit Report

For the Financial Year Ended 31<sup>st</sup> March, 2024

[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]

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **B2B SOFTWARE TECHNOLOGIES LIMITED** bearing CIN: L72200TG1994PLC018351 (hereinafter called “**the Company**”).

Secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided and declarations made by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has during the audit period covering the financial year ended on 31st March, 2024 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:

We 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, 2024 and made available to us, according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the Rules made thereunder to the extent applicable;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- iii. During the period of audit, the Company has not made any transactions. Hence the reporting of compliance under this regulation does not arise.
- iv. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;  
During the period of audit, the Company has not made any transactions. Hence the reporting of compliance under this regulation does not arise
- v. 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 this regulation does not arise.
- vi. 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 our 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;  
The Company failed to comply with Regulation 7(2) of SEBI (Prohibition of Insider Trading) Regulation 2015 which state that every promoter, member of the promoter group, designated person and director of every company shall disclose to the company the number of such securities acquired or disposed of within two trading days of such transaction if the value of the securities traded, whether in one transaction or a series of transactions over any calendar quarter, aggregates to a traded value in excess of ten lakh rupees or such other value as may be specified;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

The Company has not raised any capital during the reporting period, hence, reporting of compliance under these regulations does not arise.

- d. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 except that

- (i) The Company has not complied with the requirement of maintaining 100% of promoters holding in demat form.
- (ii) The company is in the process of ensuring compliance of Regulation 24 which states that at least one independent director on the board of directors of the listed entity shall be a director on the board of directors of an unlisted material subsidiary, whether incorporated in India or not.

Since the Independent Directors of the Company Mr. Ram Babu Mutyala and Mr. Arumili Rambabu didn't not accord their willingness to being appointed as a Director of the Material subsidiary of the Company. Furthermore, their second and final term as Independent Director of the Company was about to completed on March 31, 2024, the compliance of regulation 24 was getting delayed.

The Company has appointed Mr. Lakshminarayana Bolisetty (DIN -02766709) and Mr. Sreeramulu Kavuri (DIN-01999979) as the Independent Directors of the Company with the approval of Board in their meeting held on 28th June 2024. These appointments are subject to approval of members in in ensuing AGM. Following the members' approval, one of the newly appointed Independent Director shall be appointed as a Director on the Board of Directors of unlisted material subsidiary of the Company to comply with the above provision.

- (iii) The company not provided Pan details of Promoters in the shareholding pattern filed with BSE Limited. The reporting of clause 6(A) and 6(B) of the circular No. CIR/CFD/CMD1/114/2019 dated October 18, 2019 issued by the Securities and Exchange Board of India on "Resignation of statutory auditors from listed entities and their material subsidiaries" is not applicable during the Review Period.

- e. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

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 has been observed during the course of our audit, 6,00,000 Equity Shares of Rs.10/- each have been allotted to B2B ESOP Trust during February 2008 after obtaining the necessary statutory and regulatory approvals. The said shares have been allotted to the trust for giving them to the eligible employees of the company under ESOP Scheme 2007. However, after granting of options by the Compensation committee none of the employees have exercised their options before the due date. Hence all the options have lapsed. As on date the shares are still lying in the name of B2B ESOP Trust.

- f. The Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021.

During the period of audit, the Company has not issued any non-convertible securities. 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, 2018

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.

- vii. Other laws applicable specifically to the Company namely:
- Information Technology Act, 2000 and the rules made thereunder.
  - Software Technology Parks of India rules and regulations

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

- Secretarial Standards issued by The Institute of Company Secretaries of India,
- The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 except Clauses and regulations relating to Corporate Governance Report (which has been reviewed and certified by the Statutory Auditors) and other than observations mentioned above under clause (vi) sub clause (d).

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 such as 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 Auditor 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 and the rules made there under.

The following changes in the Key Managerial Personnel were approved in the 29th Annual General Meeting held on 29th September 2023:

- Re-appointment of Mr. Bala Subramanyam Vanapalli (DIN- 00043186) as the Whole- Time Director of the Company for the period 3 years

The following changes have occurred in the composition of the Directors:

- Mr. Ram Babu Mutuyala (DIN- 03473901) and Mr. Arumili Rambabu (DIN 03473906) ceased to be Independent Director of the Company consequent to completion of their Second and final term on 31st March 2024.

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.

The 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.

I further report that based upon the information provided by the Company no penalty imposed by the BSE limited during our audit period i.e. 1st April 2023 to 31st March 2024.

DSMR & Associates  
Company Secretaries

Place : Hyderabad  
Date : 26<sup>th</sup> August, 2024

**D S M Ram**  
Proprietor  
C. P. No. 4239

UDIN: A014939F001081169

Peer Review Certificate No. 1252/2021 dated 15th May, 2021

## ANNEXURE – A

To,  
The Members,  
B2B SOFTWARE TECHNOLOGIES LIMITED  
3<sup>RD</sup> 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:

### **Management Responsibility:**

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.

### **Auditor's Responsibility:**

2. I 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. I believe that the processes and practices we followed provide a reasonable basis for my opinion.
3. Wherever required, I have obtained the Management representation about compliance of laws, rules and regulations and happenings of events etc.
4. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.

### **Disclaimer:**

5. 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.
6. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company and compliance with the applicable accounting standards since the same has been subject to review by the Statutory Auditors.

DSMR & Associates Company Secretaries

Place : Hyderabad  
Date : 26<sup>th</sup> August, 2024

**D S M Ram**

Proprietor

C. P. No. 4239

UDIN: A014939F001081169

Peer Review Certificate No.1252/2021 dated 15th May, 2021

## **Annexure – VII to the Directors Report**

Secretarial compliance report of B2B SOFTWARE TECHNOLOGIES LIMITED  
for the year ended 31<sup>st</sup> March, 2024  
[Pursuant to the SEBI Circular No. IR/CFD/CMD/27/2021/Dated 08.02.2021]

We, DSMR & Associates, Secretarial Auditor have examined-

- (a) all the documents and records made available to us and explanation provided by B2B SOFTWARE TECHNOLOGIES LIMITED
- (b) the filings/ submissions made by the listed entity to the BSE India,
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this report for the year ended 31<sup>st</sup> March, 2024 in respect of compliance with the provisions of:

- a) The Securities and Exchange Board of India Act, 1992 (“SEBI Act”) and the Regulations, circulars, guidelines issued there under; and
- b) the Securities Contracts (Regulation) Act, 1956 (“SCRA”), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India (“SEBI”);

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include: -

- (a) Securities and Exchange Board of India, (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - The Company has not complied with the requirement of maintaining 100% of promoters holding in demat form.
  - The company not provided Pan details of few Promoters in the shareholding pattern filed with BSE Limited.
  - The company is in the process of ensuring compliance of Regulation 24 which states that at least one independent director on the board of directors of the listed entity shall be a director on the board of directors of an unlisted material subsidiary, whether incorporated in India or not.

Since the Independent Directors of the Company Mr. Ram Babu Mutyala and Mr. Arumili Rambabu didn't not accord their willingness to being appointed as a Director of the Material subsidiary of the Company. Furthermore, their second and final term as Independent Director of the Company was about to completed on March 31, 2024, the compliance of regulation 24 was getting delayed.

Now, after the cession of said Independent Directors, Company is trying to appoint new set of Independent Directors on the Board of the company and out of those, one Independent Director shall be appointed as a Director on the Board of Directors of unlisted material subsidiary of the Company to comply with the above provision.

- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;  
The Company has not raised any capital 'during the reporting period; hence reporting of compliance under these regulations does not arise-
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;  
During the period of our audit, there were no transactions. Hence, the reporting of Compliance under these regulations does not arise.
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;  
During the period of our Audit, the Company has not done any buy back of its securities. Hence, the reporting of compliance under these regulations does not arise.
- (e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

During the period of our audit, there were no transactions. Hence, the reporting of Compliance under these regulations does not arise.

However, it has been observed during the course of our audit, 6,00,000 Equity Shares of Rs.10/- each have been allotted to B2B ESOP Trust during February 2008 after obtaining the necessary statutory and regulatory approvals. The said shares have been allotted to the trust for giving them to the eligible employees of the company under ESOP Scheme 2007.

However, after granting of options by the Compensation committee none of the employees have exercised their options before the due date. Hence all the options have lapsed. As on date the shares are still lying in the name of B2B ESOP Trust.

(f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;  
During the period of audit, the Company has not issued any non-convertible Securities. Hence, the reporting of Compliance under these regulations does not arise.

(g) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;  
The Company is in compliance with Regulation 3(5) & 3(6) of SEBI (Prohibition of Insider Trading) Regulations, 2015 and other applicable regulation Except the following-

- As per our observation, the company didn't received disclosure under Regulation of 7(2) of SEBI (Prohibition of Insider Trading) Regulation 2015 from Mrs. Chandralekha Meka (PAN ATUPM2351D), member of the Company's promoter Group for sale of her entire holding of 40,000 shares. As a result, the Company filed declaration to BSE Limited for this transaction after the specified time period.

However, the Company received the disclosure for sale of shares from Mr. Varma Janakirama Meka and Mr. Krishna Varma Meka, member of promoters group, and submitted the same to BSE Limited within the given timelines.

(h) other regulations as applicable.

and circulars/ guidelines issued thereunder;

and based on the above examination, we hereby report that, during the Review Period-

I (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:

| Sr. No | Compliance Requirement   | Regulation/ Circular No                            | Deviations   | Actions taken by | Type of action | Details of Violation                     | Fine amount | Observation/ Remarks of the PCS   | Management Response   | Remarks |
|--------|--|--|--|------------------|----------------|--|-------------|---|---|---------|
| 1.     | The listed entity shall ensure that hundred percent of shareholding of promoter(s) and promoter group is in dematerialized form and the same is maintained on a continuous basis in the manner as specified by the Board | Regulation 31 (2) of SEBI (LODR) Regulations, 2015 | Entire shareholding of the promoter group not in Demat form. | NA               | NA             | Promoters shareholding not in Demat form | NA          | As we observe from the records of the company that there is non-compliance with regard to requirement of maintaining 100% of promoters shareholding in Demat Form | Majority of promoters of the Company are Non-resident Individual which resulting into challenges in dematerialisation | NA      |



|   |  |  |   |    |    |  |    |  |  |    |
|---|--|--|---|----|----|--|----|--|--|----|
| 2 | At least one independent director on the board of directors of the listed entity shall be a director on the board of directors of an unlisted material subsidiary, whether incorporated in India or not. | Regulation 24 (1) of SEBI (LODR) Regulations, 2015 | The Company is under process for compliance of Regulation 24 which states that atleast one independent director on the board of directors of the listed entity shall be a director on the board of directors of an unlisted material subsidiary, whether incorporated in India or not | NA | NA | The company is currently working to comply with Regulation 24, which states that, regardless of whether the unlisted material subsidiary is incorporated in India or not, at least one independent director on the board of directors of the listed entity shall be a director on the board of directors of an unlisted material subsidiary. | NA | As per our observation the company is in the process of ensuring compliance of Regulation 24 which states that at least one independent director on the board of directors of the listed entity shall be a director on the board of directors of an unlisted material subsidiary, whether incorporated in India or not. Since the Independent Directors of the Company Mr. Ram Babu Mutyala and Mr. Arumili Rambabu didn't accord their willingness to being appointed as a Director of the Material subsidiary of the Company. Furthermore, their second and final term as Independent directors of the Company was about to be completed March 31, 2024, the compliance of regulation 24 was getting delayed. Now, after the cession of said Independent Directors, Company is in the process of identifying and appointing the required number of Independent Directors on the Board of the company and the company shall ensure the compliance subsequent to the said appointment. | The Management is under process of identifying and appointing new Independent Directors. | NA |
|---|--|--|---|----|----|--|----|--|--|----|

|    |  |   |  |    |    |   |  |   |  |    |
|----|--|---|--|----|----|---|--|---|--|----|
| 3. | Every promoter member of the promoter group, designated person and director of every company shall disclose to the company the number of such securities acquired or disposed of within two trading days of such transaction if the value of the securities traded, whether in one transaction or a series of transactions over any calendar quarter, aggregates to a traded value in excess of ten lakh rupees or such other value as may be specified; | Regulation 7(2) of SEBI (Prohibition of Insider Trading) Regulation 2015.                     | As per our observation, the company didn't received disclosure under Regulation of 7(2) of SEBI (Prohibition of Insider Trading) Regulation 2015 from Mrs. Chandralekha Meka (PAN ATUPM2351D), member of the Company's promoter Group for sale of her entire holding of 40,000 shares. As a result, the Company filed its own declaration to BSE Limited for this transaction after the specified time period. | NA | NA |   | NA   | Based on information received from the company we observed that company didn't receive the disclosure from Mrs. Chandralekha Meka (PAN ATUPM2351D), member of the Company under Regulation 7(2) of SEBI (Prohibition of Insider Trading) Regulation 2015 for selling of her entire holding of 40,000 equity shares, resulting to that company didn't file the intimation of the same to BSE within the specified time-limit. However, company voluntarily filed intimation with BSE Limited as soon as it observed about the said sale of shares. | The Company didn't receive the Disclosure from the promoter till today which caused delay in filing. | NA |
| 4  | The Company shall provided PAN Details of all the Promoters in the Shareholding Pattern .  | Regulation 31 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 | The Company has not provided PAN Details of Promoters in the Shareholding Pattern filed with BSE Limited   | NA | NA | The Company has not provided PAN Details of Promoters in the Shareholding Pattern filed with BSE Limited. | The Company has not provided PAN Details of Promoters in the Shareholding Pattern filed with BSE Limited<br><br>No Penalty imposed by any authority for the said deviation | The Company is continuously following up for PAN of remaining promoters.  | None   |    |

(b) The listed entity has taken the following actions to comply with the observations made in previous reports

| Sl. No. | Observations/ Remarks Of the Practicing Company Secretary in the previous reports) (PCS)   | Observations made in the secretarial compliance report for the year ended 31.03.2023   | Compliance Requirement (Regulations/ circulars/ guidelines including Specific clause)  | Details of violation / deviations and actions taken / penalty imposed, if any, on the listed entity  | Remedial actions, if any, taken by the listed entity   | Comments of the PCS on the actions taken by the listed entity      |
|---------|--|--|--|--|--|--|
| 1.      | As we observed from the records of the company that there is non-compliance with regard to requirement of maintaining 100% of promoters shareholding in Demat Form | As we observed from the records of the company that there is non-compliance with regard to requirement of maintaining 100% of promoters shareholding in Demat Form | According to Regulation 31 (2) of SEBI (LODR) Regulations, 2015 the listed entity shall ensure that hundred percent of shareholding of promoter(s) and promoter group is in dematerialized form and the same is maintained on a continuous basis in the manner as specified by the Board | Entire shareholding of the promoter group not in Demat form.<br><br>No Penalty imposed by any authority for the said deviation   | The company is continuously in follow up with the promoters who have not dematerialized their shares.                    | Promoter's shareholding is dematerialized to the extent of 69.69%. |
| 2.      | The Company has not provided PAN Details of Promoters in the Shareholding Pattern filed with BSE Limited for the quarter ended Dec-2022.                           | Regulation 31 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015  | The Company shall provided PAN Details of all the Promoters in the Shareholding Pattern .  | The Company has not provided PAN Details of Promoters in the Shareholding Pattern filed with BSE Limited for the quarter ended Dec-2022.<br><br>No Penalty imposed by any authority for the said deviation | The Company received Pan card of one promoter Mrs N LAVANYA REDDY, and continuously following up for remaining promoters | None   |
| 3.      | The listed entity has not provided minutes of Board meeting considering the request of Reclassification.   | Regulation 31 (8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015  | The listed entity shall disclose material event as per Regulation 31 (8) of the Stock Exchange as soon as reasonably possible and not later than 24 hours from the occurrence of the event   | Minutes of Board meeting not filed within the prescribed time limit.<br><br>No Penalty imposed by any authority for the said deviation   | The minutes of the Board meeting was filed alongwith application of reclassification.                                    | None   |

I. I/we hereby report that, during the review period the compliance status of the listed entity with the following requirements:

| Sr. No. | Particulars   | Compliance Status (Yes/No/NA)  | Observations /Remarks by PCS* |
|---------|---|--|-------------------------------|
| 1       | <p>Secretarial Standards:</p> <p>The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries of India (ICSI).</p>  | Yes  | None                          |
| 2       | <p>Adoption and timely updation of the Policies:</p> <ul style="list-style-type: none"> <li>● All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities.</li> <li>● All the policies are in conformity with SEBI Regulations and have been reviewed &amp; updated on time, as per the regulations/circulars/guidelines issued by SEBI.</li> </ul>   | Yes, Except policy on diversity of Board of Directors, the Company has adopted all the applicable policies with the approval of the Board of Directors of the Company and it is in conformity with SEBI Regulations and have been reviewed and updated | None                          |
| 3       | <p>Maintenance and disclosures on Website:</p> <ul style="list-style-type: none"> <li>● The listed entity is maintaining a functional website.</li> <li>● Timely dissemination of the documents/information under a separate section on the website.</li> <li>● Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which redirects to the relevant document(s)/section of the website.</li> </ul> | The Company has maintained proper records under the provisions of the above Regulations and circulars/guidelines Issued thereunder so far as It appears from my examination of those records.  | None                          |
| 4.      | <p>Disqualification of Director(s):</p> <p>None of the director(s) of the listed entity is/ are disqualified under Section 164 of Companies Act, 2013 as confirmed by the listed entity</p>   | Based on the declarations received from the Directors, none of the Directors are   disqualified under section 164 of the Companies Act 2013.   | None                          |
| 5.      | <p>Details related to subsidiaries of listed entities have been examined w.r.t.:</p> <p>(a) Identification of material subsidiary companies.</p> <p>(b) Disclosure requirement of material as well as other subsidiaries.</p>   | <p>Listed Entity has only one subsidiary incorporated outside India which is identified as Material Subsidiary.</p> <p>Company is under process to comply with provisions of Regulation 24 relating to appointment of Independent Director.</p>        | None                          |

|     |  |  |      |
|-----|--|--|------|
| 6.  | <p>Preservation of Documents:</p> <p>The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per policy of preservation of documents and archival policy prescribed under SEBI LODR Regulations, 2015.</p>   | As per the verification of the records we state that the Company is preserving and maintaining records as per the policy.  | None |
| 7.  | <p>Performance Evaluation:</p> <p>The listed entity has conducted performance evaluation of the board, independent directors and the committees at the start of every financial year/during the financial year as prescribed in SEBI Regulations.</p>  | The company has conducted performance evaluation as prescribed in SEBI regulation.   | None |
| 8.  | <p>Related Party Transactions:</p> <p>(a) The listed entity has obtained prior approval of audit committee for all related party transactions;</p> <p>(b) In case no prior approval obtained, the listed entity shall provide detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the audit committee.</p> | The listed entity has obtained the prior approval of the Audit Committee for all the related party transactions.   | None |
| 9.  | <p>Disclosure of events or information:</p> <p>The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.</p>  | The company is providing required disclosure under Regulation 30 along with Schedule III of SEBI (LODR) Regulation 2015 within the prescribed time limit.  | None |
| 10. | <p>Prohibition of Insider Trading:</p> <p>The listed entity is in compliance with Regulation 3(5) &amp; 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015.</p>  | Company has a Structured Digital Database (SDD) in place that comply all the condition mentioned under this regulation and Company has submitted timely reports on this.   | None |
| 11. | <p>Actions taken by SEBI or Stock Exchange(s), if any:</p>   | No action(s) has been taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder | None |

|     |   |                |  |
|-----|---|----------------|--|
| 12. | Resignation of statutory auditors from the listed entity or its material subsidiaries:<br><br>In case of resignation of statutory auditor from the listed entity or any of its material subsidiaries during the financial year, the listed entity and / or its material subsidiary(ies) has / have complied with paragraph 6.1 and 6.2 of section V-D of chapter V of the Master Circular on compliance with the provisions of the LODR Regulations by listed entities. | Not Applicable | During the period of our Audit there has been No instance of Resignation of the Statutory Auditor.     |
| 13. | Additional Non-compliances, if any:<br><br>No additional non-compliances observed for any SEBI regulation/circular/guidance note etc. except as reported above.   |                | During our Audit Period No non-compliance observed for any SEBI regulation/circular/guidance note etc. |

The application filed by the company with regard to reclassification of promoters under Regulation 31 A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is still pending with BSE Limited. However, the said promoters on whose behalf of the application has been made are selling their shares through the open market.

**Assumptions & Limitation of scope and Review:**

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
2. Our responsibility is to report based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. We have not verified the correctness and appropriateness of financial Records and Books of Accounts of the listed entity.
4. This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

DSMR & Associates  
Company Secretaries

Place : Hyderabad  
Date : 29<sup>th</sup> May 2024

**D S M Ram**  
Proprietor  
C. P. No. 4239  
UDIN: A014939F000486421  
Peer Review Certificate No. 1252/2021

## MANAGEMENT DISCUSSION AND ANALYSIS

### 1. OVERVIEW :

#### **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, Genesco 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 favourable 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 one of the 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 (UAE, Egypt, Libya, Qatar, Nigeria, Uganda and Ethiopia for Microsoft Dynamics Partners on D365. During these trying times we have tied up with other Partners in exploring the options of extending Payroll for other countries.

B2B development team has developed Budget Control extension for D365 Business central for specific customers who are looking for Budgetary control as an extension to the existing product. This is another product from B2B offering.

## 1. GLOBAL ECONOMY AND DEVELOPMENTS

Despite gloomy predictions, the global economy remains remarkably resilient, with steady growth and inflation slowing almost as quickly as it rose. The journey has been eventful, starting with supply-chain disruptions in the aftermath of the pandemic, an energy and food crisis triggered by Russia's war on Ukraine, a considerable surge in inflation, followed by a globally synchronized monetary policy tightening.

The good news is that global growth is holding steady, having slowed for three consecutive years. Inflation has been cut to a three-year low. Financial conditions have brightened. The world economy, in short, appears to be in final approach for a "soft landing."

Yet, more than four years after the upheavals of the COVID-19 pandemic and subsequent global shocks, it's clear the world—and developing economies, in particular—has yet to rediscover a reliable path to prosperity. Global growth is stabilizing at a rate insufficient for progress on key development goals—2.7 percent a year on average through 2026, well below the 3.1 percent average in the decade before COVID-19.

Growth in emerging market and developing economies (EMDEs) is projected to moderate from 4.2 percent in 2023 to 4 percent in 2024. Amid heightened conflict and violence, prospects remain especially lackluster in many vulnerable economies—over half of fragile and conflict-affected economies will still be poorer in 2024 than on the eve of the pandemic. Risks have become more balanced but remain tilted to the downside. Escalating geopolitical tensions could lead to volatile commodity prices. Recent upward pressures on global core inflation are anticipated to gradually ease, such that headline inflation converges to levels broadly consistent with central bank targets by 2026. Market expectations for the path of U.S. policy rates have been repeatedly revised higher. Amid elevated borrowing costs, about two fifths of EMDEs are acutely vulnerable to debt stress. In 2024-25, growth is expected to underperform its 2010-19 average in countries comprising more than 80 percent of global output and population. The multiple shocks of recent years have impeded per capital income catch-up, with almost half of EMDEs losing ground relative to advanced economies over 2020-24.

The value of global services trade grew about 9 percent in 2023, driven primarily by a recovery in tourism flows—exports of travel services surged by about 38 percent (WTO 2024). Global trade growth is projected to pick up to 2.5 percent this year, a significant improvement from last year but well below the average rates observed in the two decades preceding the pandemic. Oil prices have fluctuated this year, trending substantially higher in April in the context of escalating tensions in the Middle East, but subsequently pulling back. Natural gas prices fell nearly 28 percent in the first quarter of 2024, relative to the previous quarter, amid robust production, mild winter weather, and elevated inventories. India's Economy has been buoyed by strong domestic demand, with a surge in investment, and robust services activity. It is projected to grow an average of 6.7 percent per fiscal year from 2024 through 2026—making South Asia the world's fastest-growing region. Growth in India has been strong, fueled by the manufacturing and services sectors. Industrial production has picked up in several countries in SAR, though credit growth has been weak. Inflation has remained generally stable in recent months, with rates in India being lower than in other parts of the region. Additionally, trade deficits have been narrowing, particularly in India.

## 2. INDUSTRY STRUCTURE AND DEVELOPMENTS

Covid-19 pandemic drastically changed the global economies and businesses. Governments and central banks have responded with monetary and fiscal interventions to respond to the disruptions.

During the pandemic, companies across the world accelerated their digital transformation initiatives to address these disruptions and secure their businesses. While some companies have now set up advanced business continuity measures, others have embarked on new innovative services and products. As companies focused on protecting employees from the pandemic, technology enabled a seamless transition to remote working by shifting to digital channels and digital customer engagement models.

Global IT service providers offer a range of end-to-end software development, digital services, IT business solutions, research and development services, technology infrastructure services, business process services, consulting and



related support functions. Companies will continue to invest in digital transformation to address new pandemic driven consumer behaviors with the support of technology.

### 3. FINANCIAL OVERVIEW Standalone Financial Highlights:

| Particulars                                   | 2023-24<br>(in lakhs) | 2022-23<br>(in lakhs) |
|---|-----------------------|-----------------------|
| Total Revenue                                 | 1526.46               | 1415.02               |
| Total Expenses                                | 1298.99               | 1157.69               |
| Profit/(Loss) before exceptional Item and Tax | 227.47                | 257.33                |
| Profit before Extra-Ordinary items and tax    | 227.47                | 257.33                |
| Profit before Tax                             | 227.47                | 257.33                |
| Profit/(Loss) for the period                  | 172.45                | 227.05                |
| Earnings per Equity Share                     | 1.49                  | 1.96                  |

The Company has recorded Revenue from Operations of Rs 1526.46/- (in Lakhs) (including Other Income) for the year ended 31st March, 2024 as compared to Rs. 1415.02/- (in lakhs) during the previous year.

The Profit before Tax stood at Rs 227.47/- (in lakhs) for the year ended 31st March, 2024 as compared to Rs. 257.33 (in lakhs) in previous financial year.

### Consolidated Financial Highlights:

| Particulars                                   | 2023-24<br>(in Lakhs) | 2022-23<br>(in lakhs) |
|---|-----------------------|-----------------------|
| Total Revenue                                 | 2166.42               | 2052.33               |
| Total Expenses                                | 1926.90               | 1783.78               |
| Profit/(Loss) before exceptional Item and Tax | 239.52                | 268.55                |
| Profit before Extra-Ordinary items and tax    | 239.52                | 268.55                |
| Profit before Tax                             | 239.52                | 268.55                |
| Profit/(Loss) for the period                  | 184.50                | 238.27                |
| Earnings per Equity Share                     | 1.59                  | 2.06                  |

The Company has recorded Revenue from Operations of Rs. In lakhs 2166.42/- (including Other Income) for the ended 31st March, 2024 as compared to Rs. 2052.33/- (in lakhs) during the previous year.

The Profit Before Tax stood at Rs. 239.52/- (in lakhs) for the year ended 31st March, 2024 as compared to Rs. 268.55/- (in lakhs ) in previous financial year.

The Profit Before Tax stood at Rs. 268.55/- (in lakhs) for the year ended 31st March, 2023 as compared to Rs. 268.55 /- (in lakhs) in previous financial year.

### 4. OPPORTUNITY AND THREATS

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.

## 5. RISK AND CONCERNS

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.

## 6. INTERNAL CONTROL SYSTEMS AND ADEQUACY

The Company has set up a proper and adequate and sound internal control system to safeguard the Group's assets and to enhance shareholders' investment, as well as reviewing its adequacy and effectiveness of the said system.

The Company constantly reviews its processes and the systems with an aim to remain competitive and address the changing regulatory and business environment. The Control Systems provide a reasonable assurance of recording the transactions of its operations in all material aspects and of providing protection against misuse or loss of Company's assets. The external auditors as well as the internal auditors periodically review the internal control systems, policies and procedures for their adequacy, effectiveness, and continuous operation for addressing risk management and mitigation strategies.

## 7. HUMAN RESOURCES

B2B Software is a people-focused and talent conscious enterprise, operating in a competitive business environment. It considers its employees to have a competitive edge. To achieve leadership and scalable growth, the Company has aligned competencies of its human capital with technology enablement. The Company significantly invests in professional development and providing career development opportunities for its employees. A robust training and development framework, rewards and recognition systems, is aligned to the business to help them excel in their work.

One of the key pillars of the Company's business is its people. The Company's Human Resources policies and practices are built on B2B Software core values of Integrity, Passion, Speed, Commitment and Seamlessness. The Company believes that meaning at work is created.

When people relate to the purpose of the organization, feel connected to their leaders and have a sense of belonging.

The Company's focus stays strong on providing its people a work environment that welcomes diversity, nurtures positive relationships, provides challenging work assignments and provides opportunities based on meritocracy for people to grow and build their careers in line with their aspirations. The Company's philosophy of building leaders from within continues to guide its actions towards identifying, developing and nurturing talent.

## **CORPORATE GOVERNANCE**

### **COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:**

The Company's Corporate Governance philosophy is woven around its total commitment to 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".

Your Company has complied with all the regulations stipulated by the Listing Regulations by SEBI and as prescribed under the Companies Act, 2013.

The Company has adopted a code of conduct for its employees including the Managing Director and the key managerial personnel. In addition, your company has also adopted a code of conduct for its non-executive directors which includes code of conduct for independent directors which suitably incorporates the duties of Independent Directors as laid down in the Companies Act, 2013 ("the Act"). The codes are available on the Company's website.

Your Company is in compliance with the requirements stipulated under the Clause 49 of the erstwhile Listing Agreement and Regulations 17 to 27 of the SEBI (LODR) Regulations, 2015 read with Schedule V and Clauses (b) to (i) of Sub-regulation (2) of Regulation 46 of SEBI (LODR) Regulations, 2015, as applicable, with regard to the corporate governance.

#### **I. Board Diversity**

The company recognizes and embraces the benefits of having a diverse board to enhance quality of its performance. The company always believes the board diversity an essential element to achieve sustainable and balanced development and in supporting the attainment of its strategic objectives.

#### **II. Board of Directors**

- i. Your Company's selection and appointment of directors is based on various criteria laid down in policy on Board diversity. The criteria inter alia include aspects like professional qualifications, proven track record in one or more skills such as managerial, finance, accounting, technical operations. There were no changes in the composition of Board during the year.
- ii. As on 31st March 2024, the Company has six directors. Of the six directors two (i.e 2/3) are non-executive directors three (i.e 50%) are independent directors. The composition of board is in conformity with Regulation 17 of the listing regulations and Section 149 of the Act.

From 1st April 2024, Mr. Arumili Rambabu and Mr. Rambabu Mutyala ceased to be Independent Director of the Company consequent to completion of their second and final term. After extensive efforts of the Management the Company has identified and appointed Mr. Sreeramulu Kavuri and Mr. Lakshminarayana as an Independent Directors of the Company to fill the vacancy caused on the said cessions of Independent Directors of the Company.

- iii. None of the directors on the company's Board hold directorships in more than 10 public companies. Furthermore, none of them is a member of more than ten committees or chairman of more than 5 committees across all the public companies in which he is a director. Necessary disclosures regarding committee positions in other public companies as on 31st March 2024 have been made by the Directors.
- iv. Independent Directors are non-executive directors as defined under regulation 16(1) (b) of the listing regulations read with Section 149(6) of the Act. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. The maximum tenure of independent directors is in compliance with the Act. All independent directors have confirmed that they meet the criteria as mentioned under Regulation 16(1) (b) of the listing regulations read with Section 149(6) of the Act.

- v. The names and categories of the Directors on the Board, their attendance, board meetings held during the year and number of directorships and committee chairmanships/memberships held by them in other public companies as on 31st March 2024 are given herein below. Other directorships do not include directorships of private limited companies, foreign companies and companies under Section 8 of the Act, Chairmanships/memberships of board committees shall only include audit committee and stakeholders' relationship committee.

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

4(Four) Board Meetings were held during the financial year 2023 – 2024 on the following dates:

1. 10.05.2023
2. 04.08.2023
3. 03.11.2023
4. 29.01.2024

During the year under review the time gap between any two consecutive meetings does not exceed the time prescribes under the SEBI (LODR) Regulations and Companies Act, 2013.

The details of the attendance of directors at meetings of the Board and annual general meeting, held during the year (starting from 1st April 2023 to 31st March 2024), 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. Y. Satyanarayana<br>(Promoter and Non-Executive Director)<br>(DIN: 00360679)         | 1                      | Yes      | Nil   | Nil                   |
| Mr. V. Bala Subramanyam<br>(Non-Promoter and Executive Director)<br>(DIN: 06399503)      | 4                      | Yes      | 1   | Nil                   |
| Mr. A. Rambabu<br>(Non-Promoter and Independent Director)<br>(DIN: 03473906)             | 4                      | Yes      | Nil   | Nil                   |
| Mr. M. Rambabu<br>(Non-Promoter and Independent Director)<br>(DIN: 03473901)             | 4                      | Yes      | Nil   | Nil                   |
| Mr. Ch. Suresh<br>(Non-Promoter and Non-Independent Director)<br>(DIN: 03473921)         | 3                      | Yes      | Nil   | Nil                   |
| Ms. Rajeswari Immani<br>(Non-Promoter and Independent Woman Director)<br>(DIN: 07127791) | 3                      | No       | Nil   | Nil                   |

| Name of the Director and category of Directorship  | Other Directorship                   | Shares held in the Company |
|--|--------------------------------------|----------------------------|
| Dr. Y. Satyanarayana<br>(Promoter and Non-Executive Director)<br>(DIN: 00360679)         | NIL                                  | NIL                        |
| Mr. V. Bala Subramanyam<br>(Non-Promoter and Executive Director)<br>(DIN: 06399503)      | Stellar IT Solutions Private Limited | NIL                        |
| Mr. A. Rambabu<br>(Non-Promoter and Independent Director)<br>(DIN: 03473906)             | NIL                                  | NIL                        |
| Mr. M. Rambabu<br>(Non-Promoter and Independent Director)<br>(DIN: 03473901)             | NIL                                  | NIL                        |
| Mr. Ch. Suresh<br>(Non-Promoter and Non-Independent Director)<br>(DIN: 03473921)         | NIL                                  | 70                         |
| Ms. Immani Rajeswari<br>(Non-Promoter and Independent Woman Director)<br>(DIN: 07127791) | NIL                                  | NIL                        |

- During the year 2023 – 2024, 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.
- On 31st March 2024, Mr. Rambabu Mutayala and Arumili Rambabu ceased to be independent director of the company
- Mr. Bala Subramanyam Vanapalli has been paid performance bonus of Rs. 21,59,941/- for the financial year 2022 – 2023 and the performance bonus of Rs. 17,18,581/- to be paid for FY 2023– 2024 after taking the members approval in the ensuing Annual General Meeting.

#### **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 – <https://b2bsoftech.com>.

**SKILLS/EXPERTISE OF THE BOARD OF DIRECTORS:**

Your Board had cautiously considered and identified an optimized mix of the Skills, Expertise, Competencies essentially required by the Company in the context of its sector. This was so done to ensure functioning of the business effectively and it has been confirmed that the Board has the required skills defined in the matrix provided below.

These attributes primarily and broadly are:

- i. General Management of Corporate Affairs, Corporate Governance
- ii. General Information Technology and related fields; General IT Knowledge
- iii. Law, Taxation, Finance, Foreign Exchange related
- iv. Behavioral science
- v. Strategy Management
- vi. Leadership abilities

In the table below, the specific areas of focus or expertise of individual Board members have been highlighted. However, the absence of a mark against a member's name does not necessarily mean the member does not possess the corresponding qualification or skill.

| Director   | Area of expertise / skills /competence |                      |                  |                     |                     |                      |
|--|--|----------------------|------------------|---------------------|---------------------|----------------------|
|  | Corporate Governance                   | General IT knowledge | Law/Tax/ Finance | Behavioural Science | Strategy management | Leadership abilities |
| YARAMATI SATYANARAYANA<br>(DIN- 00360679)        | √                                      | √                    | √                | √                   | √                   | √                    |
| RAM BABU MUTYALA<br>(DIN- 03473901)              | √                                      | √                    | √                | √                   | √                   | √                    |
| ARUMILLI RAMBABU<br>(DIN-03473906)               | √                                      | √                    | √                | √                   | √                   | √                    |
| SURESH CHODE<br>(DIN- 03473921)                  | √                                      | √                    | √                | √                   | √                   | √                    |
| BALA SUBRAMANYAM<br>VANAPALLI<br>(DIN- 06399503) | √                                      | √                    | √                | √                   | √                   | √                    |
| RAJESWARI IMMANI<br>(DIN- 07127791)              | √                                      | √                    | √                | √                   | √                   | √                    |

| Sl. No. | Name                                      | Category             | Skills/Expertise  |
|---------|---|----------------------|---|
| 1.      | YARAMATI SATYANARAYANA<br>(DIN- 00360679) | Director             | He has vast experience in the field of medicine and has been successful in the practice of dermatology. |
| 2.      | RAM BABU MUTYALA<br>(DIN- 03473901)       | Independent Director | He is having good marketing skills and is having good relations with small and medium enterprises.      |
| 3.      | ARUMILLI RAMBABU<br>(DIN- 03473906)       | Independent Director | He is well reputed in the market of sale and distribution agencies.                                     |

|    |   |                            |  |
|----|---|----------------------------|--|
| 4. | SURESH CHODE<br>(DIN- 03473921)                 | Director                   | He is talented in his academic. He also has knowledge of latest technologies and analyzing the market in FMCG and Goods Sector   |
| 5. | BALA SUBRAMANYAM<br>VANAPALLI<br>(DIN-06399503) | Executive Director         | He holds a Master's degree in Industrial Engineering and Management. He has over 30 years of experience with over 20 years in ERP area and has been the Practice Head with B2B Software Technologies Ltd. He has extensive experience in ERP Project executions and supervised development and launching of intellectual products for B2B in multiple ERP verticals like Pharma, Plant maintenance, HR and Payroll and Quality Add On's certified by Microsoft for Domestic and International markets. |
| 6. | RAJESWARI IMMANI<br>(DIN- 07127791)             | Independent Women Director | She is politically well connected and served as Zilla Parishad Chairperson for several years in Godavari District. She also does lot of Social Activities on behalf of NGO.  |

#### **CONFIRMATION FROM THE BOARD:**

The Board of Directors hereby confirm that in the opinion of the Board, the Independent Directors fulfill the conditions specified by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and they are independent of the management.

#### **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 – <https://b2bsofttech.com>.

#### **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; 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;
6. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
7. Approval or any subsequent modification of transactions of the company with related parties.
8. Scrutiny of inter-corporate loans and investments.
9. Valuation of undertakings or assets of the company, wherever it is necessary;
10. Evaluation of internal financial controls and risk management systems.
11. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
12. 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.
13. Discussion with internal auditors of any significant findings and follow up there on.
14. 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.
15. 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;
16. 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.
17. To review the functioning of the Whistle Blower mechanism.
18. 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.
19. 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 |            |            |            |
|----------------------|--------------------------------------|------------------------------------|------------|------------|------------|
|                      |                                      | 10.05.2023                         | 04.08.2023 | 03.11.2023 | 29.01.2024 |
| Mr. M. Rambabu       | Independent Non-Executive [Chairman] | Yes                                | Yes        | Yes        | Yes        |
| Mr. A. Rambabu       | Independent Non-Executive            | Yes                                | Yes        | Yes        | Yes        |
| Ms. Rajeswari Immani | Independent Non-Executive            | No                                 | Yes        | Yes        | Yes        |
| Mr. Ch. Suresh       | Non- Independent Non-Executive       | Yes                                | Yes        | No         | Yes        |

During the year under review the time gap between any two consecutive meetings does not exceed the time prescribes under the SEBI (LODR) Regulations and Companies Act, 2013.

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. The Company Secretary acts as the Secretary of the Committee.



**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 at the Meeting held on |            |
|----------------------|--------------------------------------|-----------------------------------|------------|
|                      |                                      | 04.08.2023                        | 29.01.2024 |
| Mr. A. Rambabu       | Independent Non-Executive [Chairman] | Yes                               | Yes        |
| Mr. M. Rambabu       | Independent Non-Executive            | Yes                               | Yes        |
| Mr. Ch. Suresh       | Non- Independent Non-Executive       | Yes                               | Yes        |
| Ms. Rajeswari Immani | Independent Non-Executive            | Yes                               | Yes        |

As per the Provisions of Companies Act, 2013 and SEBI (LODR) Regulations, Minimum of two Meetings of the Committee shall be held in every financial year. The nomination and remuneration committee has met for twice during the year under review.

**(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. Y. Satyanarayana | 10,000                   |
| 2.      | Mr. A. Rambabu       | 40,000                   |
| 3.      | Mr. M. Rambabu       | 40,000                   |
| 4.      | Mr. Ch. Suresh       | 30,000                   |
| 5.      | 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. Bala Subramanyam<br>Vanapalli<br>Executive Director | 48,59,941<br>(Including Bonus of<br>Rs. 17,18,581/-) | 2,47,364 | -            | Appointed<br>for 3 years | As per rules of<br>Company | 51,07,305 |

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 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: <https://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. The 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.

**STAKE HOLDERS' RELATIONSHIP COMMITTEE:**

The members of the Stakeholders Relationship Committee are as follows:

| Sl. No | Name of the Member      | Designation | 03.11.2023 |
|--------|-------------------------|-------------|------------|
| 1.     | Mr. M. Rambabu          | Chairman    | Yes        |
| 2.     | Mr. V. Bala Subramanyam | Member      | Yes        |
| 3.     | Ms. Rajeshwari Immani   | Member      | Yes        |

As per the SEBI Listing regulations, the Committee should meet at least once in a year. The Committee has met Once during the year.

The Stake Holders Committee approves the issue of 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 transmissions, issue of duplicate share certificate etc.

This Committee also looks into the redressal of shareholder and investor complaints like transfer of shares, 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: Ms. Prabhat Bhamini – Company Secretary and Compliance Officer.

#### **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.

#### **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 Quarterly basis.

The policy on determining material subsidiaries is available on the website of the Company i.e., <https://b2bsoftech.com>. The financials of the individual subsidiary for the financial year 2023-2024 and for the previous years are available on the Company's website <https://b2bsoftech.com>.

#### **SENIOR MANAGEMENT**

| <b>EMP. ID</b> | <b>NAME OF THE EMPLOYEE</b> | <b>DESIGNATION</b>           | <b>Date of Retirement</b> | <b>Date of Latest promotion</b> | <b>Date of Joining</b> |
|----------------|-----------------------------|------------------------------|---------------------------|---------------------------------|------------------------|
| 1              | Nadar Bala Raju             | Manager Admin & Comm.        | 24-02-2031                | 09-04-2010                      | 20-07-1994             |
| 88             | Shaik Nayeem Basha          | Project Manager              | 02-12-2036                | 07-05-2008                      | 18-12-2001             |
| 243            | Saripella Kiran Kumar Varma | Team Leader Network Dept.    | 22-06-2041                | 03-05-2019                      | 09-10-2007             |
| 293            | Kolli Satish                | Technical Head               | 12-07-2048                | 18-05-2018                      | 01-07-2011             |
| 332            | Yarava Hari Prasad          | Manager F & A                | 23-07-2044                | 06-05-2022                      | 10-11-2014             |
| 336            | D Mahammad Rafi             | Business Development Manager | 14-06-2045                | 26-12-2014                      | 26-12-2014             |
| 403            | Vengali Madhu Sudhan Rao    | Sr.Project Manager           | 19-05-2030                | 23-12-2019                      | 23-12-2019             |

#### **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: <https://b2bsoftech.com/Investors.html>

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 2024. The details of related party transactions are disclosed in Note No. 36 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 except as mentioned below:-

The Company has made a total payment of Rs. 27,140/- (Including GST) during the FY 2022-2023.

- a) BSE Limited vide mail dated May 17, 2021 has imposed a fine of Rs. 9,440 (Including GST) during the FY 2021-22 for intimating the Shareholding pattern beyond the due date for the March, 2021 Quarter, later on BSE Limited has waived off the said penalty.
- b) BSE Limited vide mail dated August 20, 2021 has imposed a fine of Rs. 17,700/- (Including GST) during the FY 2021-22 for delay in submission of making a disclosure with regard to Related Party Transactions for the half year ended March, 2021

**(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 and the details of such policy are available on the Company's website at: <https://b2bsofttech.com/Investors.html>

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) Sexual Harassment of Woman at the 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.

| S. No. | Particulars   | No. |
|--------|---|-----|
| 1.     | No. of complaints on Sexual harassment received during the year | NIL |
| 2.     | Number of complaints disposed-off during the year               | NIL |
| 3.     | Number of cases pending as on the end of the financial year     | NIL |

**(v) 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 workplace, 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.

**(vi) 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, 2015. The accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

**(vii) 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 2024, 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 conflict with the interests of the Company at large.

**Shareholders' Information**

The quarterly results are sent to the stock exchanges on which the Company's shares are listed. The same are available on the website of the Company i.e., <https://b2bsoftech.com>. During the year there were no presentations made by the Company to analysts.

**(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 and the details of such policy are available on the Company's website at: <https://b2bsoftech.com/Investors.html>

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 2024 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 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 <https://b2bsoftech.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 <https://b2bsoftech.com>.

**(xii) Policy on Determining material event.**

As per the SEBI notification dated 14.06.2023 on SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023 the Board has revised the Policy to Determine the Material events in their meeting held on 04th August 2023.

The Revised Policy for determining material event is available on the website of the company at [https://b2bsoftech.com/Investors\\_column/PolicyOnMateriality2023.pdf](https://b2bsoftech.com/Investors_column/PolicyOnMateriality2023.pdf)

**(xiii) Policy on Material Subsidiaries.**

Your Company has in place a policy on Material Subsidiary. The said policy is revised in the Board meeting held on 04th August 2023 and available on the website of the company at

[https://b2bsoftech.com/Investors\\_column/PolicyOnMaterialSubsidiary2023.pdf](https://b2bsoftech.com/Investors_column/PolicyOnMaterialSubsidiary2023.pdf)

**(xiv) Policy on Related Party Transactions.**

The Policy on dealing with related party transactions is available on the website of the company at <https://b2bsoftech.com/Investors.html>

(xv) The Company has not raised any funds through preferential allotment or qualified institutions placement during the financial year ended March 31, 2024.

(xvi) A certificate from a Company Secretary in Practice stating that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Company by SEBI or Ministry of Corporate Affairs or any such statutory authority is enclosed to this report.

(xvii) There has been no such incidence where the Board has not accepted the recommendation of the Audit Committee of the Company during the year under review.

(xviii) Given below are the details of fees paid to M/s Jawahar and Associates, Chartered Accountant, Statutory Auditors of the company on a Consolidated basis during the financial year ended March 31, 2024:

| S. No. | Payments to the Statutory Auditors (excluding taxes)                                       | Fees paid (In Rs.) |
|--------|--|--------------------|
| 1.     | Statutory Audit fees paid for Audit of the Company including Limited Review of the Company | 1,80,000           |
| 2.     | Fees paid for other services   | NA                 |
|        | <b>Total</b>   | 1,80,000           |

(xix) The company has not entered into any type of agreements as prescribed under Clause 5A of Part A of Schedule III of the SEBI (LODR) Regulations, 2015.

**INDEPENDENT DIRECTORS MEETING**

As per Clause VII of Schedule IV to the Companies Act, 2013 read with Clause 49 (II) (B) (6) of the Listing Agreement provide that a separate meeting of Independent Directors should be held atleast once in a year.

During the year, the Independent Directors met on 29th January, 2024 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.

**RISK MANAGEMENT**

The Company has laid down procedures to inform Board members about the risk assessment and minimization 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.

- 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.

**The Disclosures of the Compliance with Corporate Governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 are as follows:**

| Regulation      | Particulars of Regulation  | Compliance Status (Yes/No/NA) |
|-----------------|--|-------------------------------|
| 17              | Board of Directors   | Yes                           |
| 18              | Audit Committee  | Yes                           |
| 19              | Nomination and Remuneration Committee  | Yes                           |
| 20              | Stakeholders Relationship Committee  | Yes                           |
| 21              | Risk Management Committee  | NA                            |
| 22              | Vigil Mechanism  | Yes                           |
| 23              | Related Party Transactions   | Yes                           |
| 24              | Corporate Governance requirements with respect to subsidiary of listed company | Yes                           |
| 25              | Obligations with respect to Independent Directors                              | Yes                           |
| 26              | Obligation with respect to Directors and Senior management                     | Yes                           |
| 27              | Other Corporate Governance requirements  | Yes                           |
| 46(2)(b) to (i) | Website  | Yes                           |

- Transfer of shares to Investor Education and Protection Fund**

As per the provisions of Section 124 of the Companies Act, 2013, shares of the shareholders, who has not claimed dividends for a continuous period of 7 years, shall be transferred to Investor Education and Protection Fund Authority Account.

However, there are no amount/shares to be transferred to Investor Education and Protection Fund (IEPF).

- Proceeds from public issues, right issues, preferential issues etc.**

The Company has not raised any amount from public issues, right issues, preferential issues and offer for sale during the FY 2023-2024.

- Management Discussion and Analysis:**

The report on Management Discussion and Analysis (MDA) is annexed to the Directors' Report and forms part of this Annual Report.

- GENERAL BODY MEETINGS:**

Location and date/time of last three Annual General Meetings

| Year      | Location  | Date                             | Time       |
|-----------|---|----------------------------------|------------|
| 2022-2023 | Held through Video Conferencing at the Registered office of the Company | 29 <sup>th</sup> September, 2023 | 10:00 A.M  |
| 2021-2022 | Held through Video Conferencing at the Registered office of the Company | 26 <sup>th</sup> September, 2022 | 10.00 A.M  |
| 2020-2021 | Held through Video Conferencing at the Registered office of the Company | 15 <sup>th</sup> September, 2021 | 11.30 A.M. |

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

**a. Annual General Meeting held on 29th September, 2023**

Four Special Resolution was passed as mentioned herein:

1. Re-appointment of Mr. Bala Subramanyam Vanapalli (DIN-06399503) As a Whole-Time Director
2. Payment of performance bonus to Mr. Bala Special Subramanyam Vanapallii (DIN 06399503) Whole time Director for the Financial Year 2022-2023.
3. Amendment of Object Clause 13 of Part B (the object incidental or ancillary to the attainment of the main objects) of the Memorandum of Association of the Company.
4. To approve for continuation of Material Related Party Transactions.

**b. Annual General Meeting held on 26<sup>th</sup> September 2022**

One Special Resolution was passed as mentioned herein-

1. Payment of performance bonus to Mr. Bala Special Subramanyam Vanapallii (DIN 06399503) Wholetime Director for the Financial Year 2021-22.

**c. Annual General Meeting held on 15<sup>th</sup> September 2021**

Three Special Resolution was passed as mentioned herein:

1. Payment of Remuneration to Dr. Ramachandra Rao Nemani, (PAN: AFUPN8077R) CEO of the Company
2. Payment of Remuneration to Mr. Sunil Nemani, (PAN: AWRPN7930M), CFO of the Company
3. Payment of performance bonus to Mr. Bala Subramanyam Vanapallii, Wholetime Director (DIN: 06399503) for the Financial Year 2020-21.

**• MEANS OF COMMUNICATION:**

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

The results of the Company are displayed on <https://b2bsoftech.com>. No presentations were made to either analysts or Investors during the financial year 2023 – 2024.

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

**• GENERAL SHAREHOLDER INFORMATION:**

**A. Details of the ensuing Annual General Meeting**

Annual General Meeting of the Company shall be held through Video Conferencing (VC) / other Audio-Visual Means (OAVM).

(Detailed Instruction and general guidelines for participation through VC/ OAVM has been given in Notice of the AGM forming part of this report).

Date: 26th September, 2024, Time-04:00 p.m

**Financial Calendar: 1<sup>st</sup> April 2023 to 31<sup>st</sup> March 2024**

| 1 <sup>st</sup> Quarterly results | Half yearly results | 3 <sup>rd</sup> Quarter results | 4 <sup>th</sup> Quarter results |
|-----------------------------------|---------------------|---------------------------------|---------------------------------|
| August, 2023                      | November, 2023      | Jan, 2024                       | May, 2024                       |

**B. Date of Book Closure: NIL**

**C. Dividend Payment Date:**

No Dividend is recommended for the financial year 2023-2024.

**D. Listing on Stock Exchanges and Stock code:**

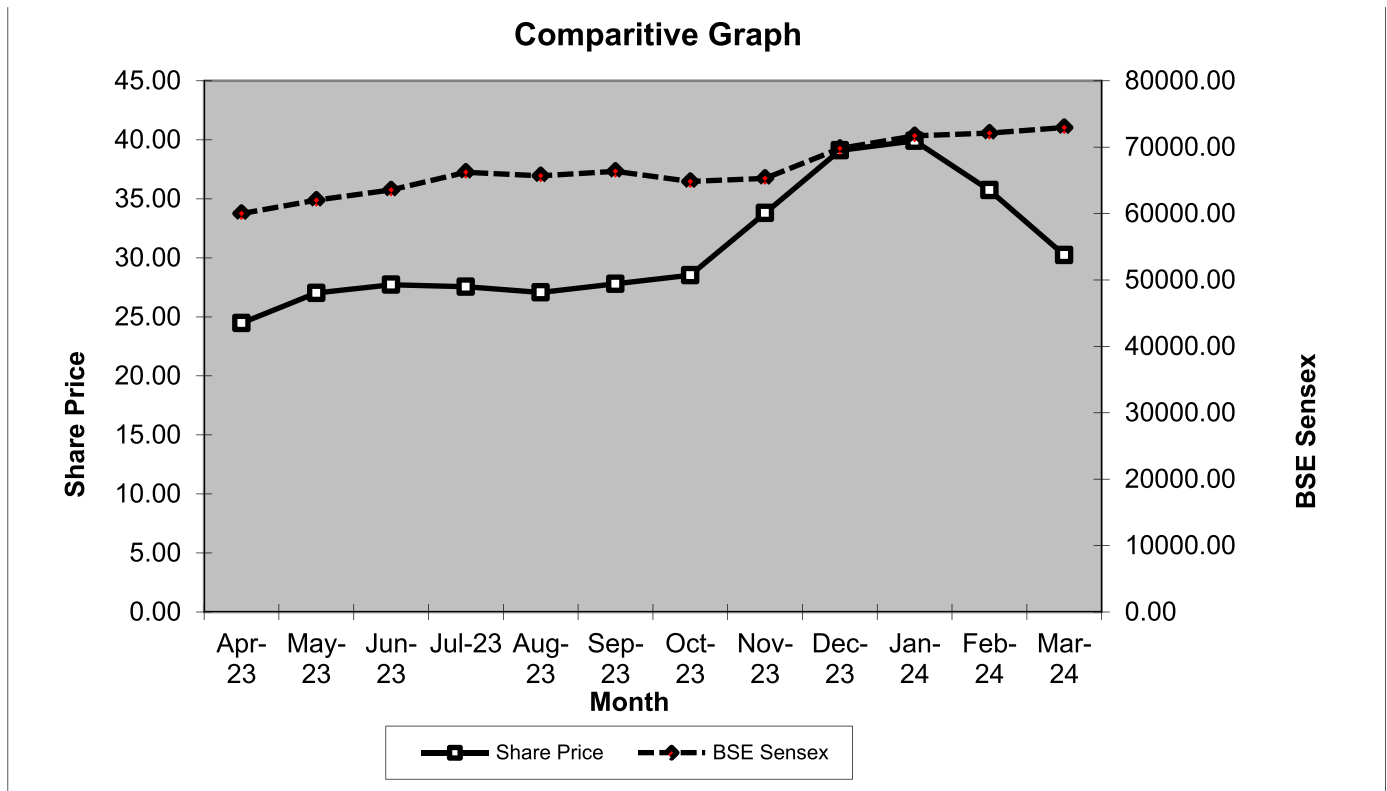
The shares of the Company are listed on The BSE Limited, Mumbai and the Stock Code is 531268. The Company has paid listing fees to BSE Limited and to the Depositories i.e., NSDL and CDSL for the financial year 2023-2024.



**E. Market Price Date: High/Low during each month in the last financial year (2023 – 2024)**

| Period | BSE Limited, Mumbai |       |
|--------|---------------------|-------|
|        | High                | Low   |
| Apr-23 | 26.95               | 22.00 |
| May-23 | 29.00               | 25.05 |
| Jun-23 | 30.00               | 25.45 |
| Jul-23 | 29.60               | 25.50 |
| Aug-23 | 29.25               | 24.90 |
| Sep-23 | 29.52               | 26.07 |
| Oct-23 | 29.99               | 27.07 |
| Nov-23 | 39.50               | 28.09 |
| Dec-23 | 45.47               | 32.75 |
| Jan-24 | 44.79               | 35.03 |
| Feb-24 | 39.50               | 31.97 |
| Mar-24 | 34.47               | 26.00 |

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



**F. 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-mails: advisors@cilsecurities.com

**G. Share Transfer System:**

The Company's shares are currently traded in dematerialized form; transfers are processed and approved in the electronic form by NSDL/CDSL through their Depository Participants. The Company obtains from a Company Secretary in practice, annual certificate of compliance with the share transfer formalities as required under Regulation 7(3) of SEBI (LODR) Regulations, 2015 and files a copy of the certificate with the Stock Exchanges.

The Equity shares of the Company are under compulsory dematerialization ("Demat") category and can be traded only in electronic form. The Company has De-materialised 80,69,224 Equity (69.65% of the paid-up share capital) as on March 31, 2024.

The procedure for converting the shares in dematerialized mode is as under:

- Share certificate(s) along with Demat Requisition Form (DRF) is to be submitted by the shareholder to his Depository Participant (DP)
- DP processes the DRF and generates a unique number viz. DRN
- DP forwards the DRF and share certificates to the Company's Registrar & Shares Transfer Agent.
- The Company's Registrar & Shares Transfer Agent after processing the DRF confirm or reject the request to the Depositories.
- Upon confirmation, the Depository gives the credit to shareholder in his/her depository account maintained with DP.

The process of dematerialization takes around 15 days from the date of receipt of DRF by the Registrar & Shares Transfer Agent of the Company.

Since the trading in the shares of the Company can be done only in electronic form, it is advisable that the shareholders who have the shares in physical form get their shares dematerialized.

Effective April 1, 2019, SEBI barred physical transfer of shares of listed companies and mandated transfers only through demat. However, investors are not barred from holding shares in physical form. Members who still hold share certificate(s) in physical form are advised to dematerialize their shareholding at the earliest.

Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_ RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company's website at [www.b2bsoftech.com](http://www.b2bsoftech.com) and on the website of the Company's Registrar and Transfer Agents, [www.cilsecurities.com](http://www.cilsecurities.com) It may be noted that any service request can be processed only after the folio is KYC Compliant.

**H. Distribution of shareholding:**

| No. of shares slab | No. of shareholders |       |       |        | No. of shares |       |         |        |         |        |
|--------------------|---------------------|-------|-------|--------|---------------|-------|---------|--------|---------|--------|
|                    | Physical            | Demat | Total | %      | Physical      | %     | Demat   | %      | Total   | %      |
| upto 5000          | 671                 | 6240  | 6911  | 99.14% | 174156        | 4.95% | 1379574 | 17.10% | 1553730 | 13.41% |
| 5001-10000         | 0                   | 24    | 24    | 0.34%  | 0             | 0.00% | 168921  | 2.09%  | 168921  | 1.46%  |
| 10001-20000        | 1                   | 12    | 13    | 0.19%  | 28510         | 0.81% | 155690  | 1.93%  | 184200  | 1.59%  |
| 20001-30000        | 1                   | 4     | 5     | 0.07%  | 25000         | 0.71% | 96865   | 1.20%  | 121865  | 1.05%  |

|                |            |             |             |             |                |             |                |             |                 |             |
|----------------|------------|-------------|-------------|-------------|----------------|-------------|----------------|-------------|-----------------|-------------|
| 30001-40000    | 0          | 1           | 1           | 0.01%       | 0              | 0.00%       | 31404          | 0.39%       | 31404           | 0.27%       |
| 40001-50000    | 1          | 1           | 2           | 0.03%       | 43400          | 1.23%       | 43151          | 0.53%       | 86551           | 0.75%       |
| 50001-100000   | 0          | 1           | 1           | 0.01%       | 10             | 0.00%       | 69944          | 0.87%       | 69954           | 0.60%       |
| 100001 & above | 7          | 7           | 14          | 0.20%       | 3245100        | 92.29%      | 6123675        | 75.89%      | 9368775         | 80.87%      |
| <b>Total</b>   | <b>681</b> | <b>6290</b> | <b>6971</b> | <b>100%</b> | <b>3516176</b> | <b>100%</b> | <b>8069224</b> | <b>100%</b> | <b>11585400</b> | <b>100%</b> |

Forfeited Shares: 15400 Equity Shares

| Sl. No | Category                          | No. of Shares   | %           |
|--------|-----------------------------------|-----------------|-------------|
| 1      | Promoters & Associates            | 7909304         | 68.27       |
| 2      | Private Body Corporates           | 31811           | 0.27        |
| 3      | Indian Public                     | 3436519         | 29.66       |
| 4      | Non-Resident Individuals and OCBs | 207766          | 1.79        |
|        | <b>Total</b>                      | <b>11585400</b> | <b>100%</b> |

Application for reclassification of Mr. Janakirama Varma Meka (holding 9.37% shares of the total equity shares) and Mrs. Chandrasekhar Meka (holding 0.35% shares of the total equity shares) from Promoters/Promoters Group to Public dated 19th October 2022, is pending for approval with BSE listing operation team for approval.

However, the said promoters on whose behalf application has been made are selling their shares through Open Market. As of the report date, Mr. Janakirama Meka Varma sold 784,270 shares and now holds 300,000 equity shares (2.59% of total equity shares) while Mrs. Chandralekha Meka has sold her entire shareholding of 40,000 equity shares in the open market.

#### I. 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: rta@cilsecurities.com

International Securities Identification Number (ISIN): INE151B01011

The Company has entered into Agreements with NSDL and CDSL, and as on 31st March 2024, 80,69,224 Equity Shares have been dematerialized, constituting 69.65% 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.

#### J. 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.

#### K. Credit Ratings:

The Company does not have debt instruments or any fixed deposit programme or any scheme or proposal involving mobilization of funds, whether in India or abroad. Hence, disclosure in respect of list of Credit Ratings obtained by the Company is not applicable.

#### Development Centre / Registered Office / Address for correspondence

**B2B SOFTWARE TECHNOLOGIES LIMITED,**  
3<sup>rd</sup> Floor, AVR Towers, 6 – 3 – 1112,

Behind West Side Showroom, Near Somajiguda Circle,  
Begumpet, Hyderabad – 500016

***investorservice@b2bsoftech.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 31<sup>st</sup> March 2024.

BALA SUBRAMANYAM VANAPALLI

Executive Director

DIN: 06399503

Place : Hyderabad

Date : 26<sup>th</sup> August, 2024

### **CERTIFICATION**

We, Bala Subramanyam Vanapalli (DIN-06399503), 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

**BALA SUBRAMANYAM VANAPALLI**

Executive Director

DIN: 06399503

Place : Hyderabad

Date : 26<sup>th</sup> August, 2024

**SUNIL NEMANI**

Chief Financial Officer

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To  
The Members of  
**B2B SOFTWARE TECHNOLOGIES LIMITED**  
3<sup>rd</sup> Floor, AVR Towers, 6 – 3 – 1112, Behind West Side Showroom,  
Near Somajiguda, Begumpet, Hyderabad – 500016

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **B2B SOFTWARE TECHNOLOGIES LIMITED** having CIN L72200TG1994PLC018351 and having registered office at 3<sup>rd</sup> Floor, AVR Towers, 6 – 3 – 1112, Behind West Side Showroom, Near Somajiguda, Begumpet, Hyderabad – 500016 (hereinafter referred to as 'the Company'), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers and considering the relaxations granted by the Ministry of Corporate Affairs and securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

| S. No | Name of the Director           | DIN      | Date of Appointment in Company * |
|-------|--------------------------------|----------|----------------------------------|
| 1     | Dr. Yaramati Satyanarayana     | 00360679 | 31/01/2000                       |
| 2     | Mr. Ram Babu Mutyala           | 03473901 | 14/02/2011                       |
| 3     | Mr. Arumilli Rambabu           | 03473906 | 14/02/2011                       |
| 4     | Mr. Bala Subramanyam Vanapalli | 06399503 | 01/10/2014                       |
| 5     | Ms. Rajeswari Immani           | 07127791 | 28/03/2015                       |
| 6     | Mr. Suresh Chode               | 03473921 | 28/08/2019                       |

\* the date of appointment is as per the MCA Portal.

Ensuring the eligibility, for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For DSMR & Associates  
Company Secretaries

Place : Hyderabad  
Date : 26<sup>th</sup> August 2024

D S M Ram  
C. P. No. 4239  
Proprietor  
UDIN: A014939F001081180

## 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.**

1. We have examined the compliance of conditions of Corporate Governance by **B2B Software Technologies Limited.**, for the year ended on March 31, 2024, 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 as amended ("Listing Regulations") with Stock Exchanges in India.

### **Managements' Responsibility**

2. The compliance of conditions of Corporate Governance is the responsibility of the management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the condition of the Corporate Governance stipulated in the SEBI Listing Regulations.

### **Auditor's Responsibility**

3. Our examination has been limited to 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.
4. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

### **Opinion:**

7. 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.
8. 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 **Jawahar & Associates.**,  
Chartered Accountants

**M. Chandramouleswara Rao**  
Partner  
Membership No: 024608  
FRN: 001281S  
UDIN: 24024608BKGTEI7829

## INDEPENDENT AUDITOR'S REPORT

To the Members of  
**M/s B2B Software Technologies Limited**

### Report on the Audit of the Standalone Ind AS Financial Statements

#### Opinion

We have audited the accompanying standalone **Ind AS** financial statements of **M/s B2B Software Technologies Limited** ("the Company"), which comprise the balance sheet as at March 31, 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the standalone financial statements.)

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

| Key Audit Matter   |
|--|
| <p><i>Revenue from Operations:</i></p> <p>The accounting of revenue involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized over a period.</p>   |
| <p><i>Principle Audit Procedures</i></p> <p>We assessed the Company's process to identify the impact of adoption of the new revenue accounting standard. Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows:</p> <ol style="list-style-type: none"><li>1. Evaluated the design of internal controls relating to implementation of the new revenue accounting standard.</li><li>2. Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, re-performance and inspection of evidence in respect of operation of these controls.</li></ol> |

**Information other than Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the Consolidated Financial Statements, Standalone Financials Statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of Management and Those Charged with Governance for the Standalone 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 of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- i. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ii. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.



- iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- iv. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- v. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, based on our audit 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 including Other Comprehensive Income, 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 Financial Statements comply with the Indian 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, 2024, and taken on record by the Board of Directors, none of the directors, are disqualified as on 31st March, 2024 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"; Our report

expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

- vii. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended :

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- viii. 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:

- a) The Company does not have any pending litigations which would impact its financial position.
- b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- d)
  - i) The management has represented to us that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - ii) The management has represented to us, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
  - iii) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.
- e) The company has not declared or paid any dividend during the year.
- f) Based on our examination, which included test checks, the company has used accounting software for maintaining its books of accounts for the financial year ended March 31, 2024 which has a feature of recording the audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of the audit trail feature being tampered with.

**For Jawahar& Associates.**  
Chartered Accountants

**M. Chandramouleswara Rao**  
Partner

Membership No: 024608

FRN: 001281S

UDIN:24024608BKGTDV2119

Place : Hyderabad  
Date : 24<sup>th</sup> May, 2024

## 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 31st March 2024, we report that:

- i) In respect of Company’s Property, Plant and Equipment and Intangible assets:
  - a. (i) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (ii) The company has maintained proper records showing full particulars on Intangible assets.
  - b. The Company has a regular programme of physical verification of its Property, Plant and Equipment 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 information and explanation given to us, the Company has no immovable property in its name, hence reporting under clause (i) (c) of paragraph 3 is not applicable.
  - d. The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
  - e. In our opinion and according to the information and explanations given to us, no proceedings have been initiated or are pending against the Company as at March 31, 2024 for holding any Benami property under the “Benami Transactions (Prohibition) Act, 1988 and Rules made thereunder.
- ii)
  - a. The Company is a service company, primarily rendering software services. Accordingly, it does not hold any physical inventories. Thus, Clause 3(ii) of the Order is not applicable to the Company.
  - b. The Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at any point of time during the year from banks or financial institutions on the basis of security of current assets and hence reporting under Clause 3(ii)(b) of the Order is not applicable.
- iii)
  - a. The Company has made investments in quoted equity instruments.
  - b. In our opinion, the investments made during the year are, prima facie, not prejudicial to the Company’s interest.
- 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, investments, guarantees and security 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 undisputed statutory dues including Provident Fund, Employees State Insurance Dues, Goods and Service Tax and Income 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, Goods and Service Tax and Cess were outstanding as at 31st March 2024 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.
- viii) In our opinion and according to the information and explanations given to us, there were no transactions relating to previously unrecorded income which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

- ix) The company has not borrowed any loans from any financial institution/Bank/Debenture holders and hence the Clause 3(ix) is not applicable.
- x) The Company did not raise any moneys by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, Clause 3 (x) of the Order is not applicable.
- xi) a. 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.  
b. As no fraud has been noticed during the year as mentioned at xi(a) above, report under sub-Section (12) of Section 143 of the Companies Act in the Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules 2014 is not applicable.  
c. According to the information and explanations given to us, no whistle-blower complaints has been received during the year by the Company.
- xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, Clause 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, all 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) a. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has an internal audit system commensurate with the size and nature of its business.  
b. We have considered the reports of the Internal Auditors for the period under audit, issued to the Company in determining the nature, timing and extent of our audit procedures.
- 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, Clause 3(xv) of the Order is not applicable.
- xvi) a. In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, reporting under Clause 3(xvi)(a),(b) and (c) of the Order is not applicable to the Company.  
b. In our Opinion, there is no core investment company within the group (As defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under Clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not incurred any cash losses in the current Financial Year and in the immediately preceding Financial Year.
- xviii) There has not been any resignation of the statutory auditors during the year.
- xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the records of the Company, in our opinion, no material uncertainty exists as on the date of the audit report and the Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- xx) According to the information and explanations given to us and based on our examination of the records, Section 135(5) of the Companies Act, 2013 is not applicable to the Company and hence reporting under Clause 3(xx) is not applicable.

**For Jawahar & Associates.**

Chartered Accountants

**M. Chandramouleswara Rao**

Partner

Membership No: 024608

FRN: 001281S

UDIN: 24024608BKGTDV2119

Place : Hyderabad

Date : 24<sup>th</sup> May, 2024

## **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 March 31, 2024 in conjunction with our audit of the standalone 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, 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 and to the best of our information and according to the explanations given to us, 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 31st March 2024, 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 Jawahar& Associates.**  
Chartered Accountants

**M. Chandramouleswara Rao**  
Partner

Membership No: 024608

FRN: 001281S

UDIN: 24024608BKGTDV2119

Place : Hyderabad

Date : 24<sup>th</sup> May, 2024

**Standalone Balance Sheet as at 31st March 2024**

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

| Particulars  | Note No. | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|----------|-------------------------|-------------------------|
| <b>I. ASSETS</b>   |          |                         |                         |
| <b>1. Non-current assets</b>   |          |                         |                         |
| (a) Property, Plant and Equipment  | 3        | 30.75                   | 37.16                   |
| (b) Intangible assets  | 4        | 0.01                    | 0.01                    |
| (c) Financial Assets   |          |                         |                         |
| (i) Investments  | 5        | 33.81                   | 33.81                   |
| (ii) Loans   | 6        | 60.00                   | 60.00                   |
| (d) Deferred tax assets (net)  | 7        | -                       | 9.15                    |
| (e) Other non-current assets   | 8        | 7.47                    | 7.47                    |
|  |          | <b>132.04</b>           | <b>147.59</b>           |
| <b>2. Current assets</b>   |          |                         |                         |
| (a) Inventories  | 9        | 14.86                   | 11.27                   |
| (b) Financial Assets   |          |                         |                         |
| (i) Current Investments  | 10       | 1,387.74                | 1,309.76                |
| (ii) Trade receivables   | 11       | 186.39                  | 125.62                  |
| (iii) Cash and cash equivalents  | 12       | 114.77                  | 95.88                   |
| (iv) Bank balances other than (iii) above  | 13       | 285.86                  | 158.96                  |
| (v) Loans  | 14       | 2.03                    | 2.09                    |
| (vi) Other financial assets  | 15       | 0.38                    | 3.03                    |
| (c) Current tax assets (Net)   |          | -                       | -                       |
| (d) Other current assets   | 16       | 76.18                   | 85.94                   |
|  |          | <b>2,068.22</b>         | <b>1,792.56</b>         |
| <b>3. Non-current assets held for sale</b>   |          | -                       | -                       |
| <b>Total Assets</b>  |          | <b>2,200.26</b>         | <b>1,934.15</b>         |
| <b>II. EQUITY AND LIABILITIES</b>  |          |                         |                         |
| <b>A. Equity</b>   |          |                         |                         |
| (a) Equity share capital   | 17       | 1,159.31                | 1,159.31                |
| (b) Other equity   |          | 760.36                  | 588.51                  |
|  |          | <b>1,919.67</b>         | <b>1,747.82</b>         |
| <b>B. LIABILITIES</b>  |          |                         |                         |
| <b>1. Non-current liabilities</b>  |          |                         |                         |
| (a) Financial liabilities  |          | -                       | -                       |
| (i) Borrowings   |          | -                       | -                       |
| (ia) Lease Liabilities   |          | -                       | -                       |
| (ii) Other financial liabilities   |          | -                       | -                       |
| (b) Provisions   | 18       | -                       | -                       |
| (c) Deferred Tax Liabilities (Net)   | 19       | 16.39                   | -                       |
| (d) Other non-current liabilities  |          | -                       | -                       |
|  |          | <b>16.39</b>            | -                       |
| <b>2. Current liabilities</b>  |          |                         |                         |
| (a) Financial liabilities  |          |                         |                         |
| (i) Borrowings   |          | -                       | -                       |
| (ia) Lease Liabilities   |          | -                       | -                       |
| (ii) Trade payables  | 20       |                         |                         |
| Total outstanding dues of micro enterprises and small enterprises                      |          |                         |                         |
| Total outstanding dues of creditors other than micro enterprises and small enterprises |          | 25.92                   | 6.20                    |
| (iii) Other financial liabilities  | 21       | 11.32                   | 7.21                    |
| (b) Other current liabilities  | 22       | 207.87                  | 156.36                  |
| (c) Short-term provisions  | 23       | -                       | -                       |
| (d) Current tax liabilities (Net)  | 24       | 18.93                   | 17.40                   |
|  |          | <b>264.04</b>           | <b>187.17</b>           |
| <b>Total Equity and Liabilities</b>  |          | <b>2,200.10</b>         | <b>1,934.99</b>         |

See accompanying notes to the financial statements

 As per our report of even date  
**For Jawahar and Associates.,**  
 Chartered Accountants  
 Firm Registration No: 001281S

**For and on behalf of the Board**
**M Chandramouleswara Rao**  
 Partner  
 Membership No: 024608  
 UDIN: 23024608BGZGLR8883  
 Place: Hyderabad  
 Date : 24 May, 2024

**Mr. Bala Subramanyam Vanapalli**  
 Executive Director  
 DIN : 06399503

**CH. Suresh**  
 Director  
 DIN: 03473921

**Sunil Nemani**  
 Chief Financial Officer  
 PAN: AWRPN7930M

**Dr. Ramachandra Rao Nemani**  
 CEO  
 PAN: AFUPN8077R

**Prabhat Bhamini**  
 Company Secretary  
 ACS69664

**Statement of Profit and Loss for the Year ended March 31, 2024**

All amounts in Indian rupees in lakhs, except share data and where otherwise stated

| Particulars   | Note No. | For the Year Ended |                 |
|---|----------|--------------------|-----------------|
|   |          | 31.03.2024         | 31.03.2023      |
| I. Revenue from Operations  | 24       | 1,392.32           | 1,340.07        |
| II. Other income  | 25       | 134.14             | 74.95           |
| <b>III. Total Income (I+II)</b>   |          | <b>1,526.46</b>    | <b>1,415.02</b> |
| <b>IV. Expenses</b>   |          |                    |                 |
| (a) Purchases of Software Products  | 26       | 324.85             | 326.59          |
| (b) Changes in inventories  |          | (3.59)             | (3.16)          |
| (c) Employee benefit expenses   | 27       | 813.54             | 709.23          |
| (d) Administrative and other expenses   | 28       | 147.70             | 113.95          |
| (e) Depreciation and amortization expense   | 3        | 16.49              | 11.09           |
| <b>Total expenses</b>   |          | <b>1,298.99</b>    | <b>1,157.69</b> |
| <b>V. Profit/(Loss) before exceptional items and tax (III - IV)</b>   |          | <b>227.47</b>      | <b>257.33</b>   |
| VI. Exceptional items   |          | -                  | -               |
| <b>VII. Profit/(Loss) before tax (V - VI)</b>   |          | <b>227.47</b>      | <b>257.33</b>   |
| <b>VIII. Tax expense / (income)</b>   |          |                    |                 |
| Current tax   |          | 31.93              | 42.75           |
| Earlier year taxes  |          | (2.44)             | (8.71)          |
| Deferred Tax  |          | 25.54              | (3.76)          |
| <b>Total tax expenses</b>   |          | <b>55.02</b>       | <b>30.28</b>    |
| <b>IX. Profit for the period / year (VII-VIII)</b>  |          | <b>172.45</b>      | <b>227.05</b>   |
| <b>Other Comprehensive Income</b>   |          |                    |                 |
| <b>A. Items that will not be reclassified to Profit or (Loss)</b>   | 29       | (0.59)             | (11.05)         |
| Income tax relating to items that will not be reclassified to profit or loss  |          |                    |                 |
| <b>B. Items that will be reclassified to Profit or Loss</b>   |          |                    |                 |
| Income tax relating to items that will be reclassified to profit or loss  |          |                    |                 |
|   |          | <b>0.59</b>        | <b>11.05</b>    |
| <b>Total Comprehensive Income for the period (Comprising Profit (Loss) and Other Comprehensive Income for the period)</b> |          | <b>171.86</b>      | <b>215.99</b>   |
| <b>Earnings per share-par value of `10 per share</b>  |          |                    |                 |
| Class A - Basic and diluted   |          | 1.49               | 1.96            |
| See accompanying notes to financial statements  |          |                    |                 |

As per our report of even date  
**For Jawahar and Associates.,**  
Chartered Accountants  
Firm Registration No: 001281S

For and on behalf of the Board

**M Chandramouleswara Rao**  
Partner  
Membership No: 024608  
UDIN: 23024608BGZGLR8883  
Place: Hyderabad  
Date : 24 May, 2024

**Mr. Bala Subramanyam Vanapalli**  
Executive Director  
DIN : 06399503

**CH. Suresh**  
Director  
DIN: 03473921

**Sunil Nemani**  
Chief Financial Officer  
PAN: AWRPN7930M

**Dr. Ramachandra Rao Nemani**  
CEO  
PAN: AFUPN8077R

**Prabhat Bhamini**  
Company Secretary  
ACS69664



**Cash Flow Statement for the year ended March 31, 2024**
*(All amounts in Indian Rupees in lakhs, except share data and where otherwise stated)*

Accounting policy Cash flows are reported using the indirect method, whereby profit for the year 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. The Company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

| Particulars   | For the Year Ended |                 |
|---|--------------------|-----------------|
|   | 31.03.2024         | 31.03.2023      |
| <b>A. Cash Flows from Operating Activities</b>  |                    |                 |
| Net profit/(loss) after tax   | 171.86             | 215.99          |
| <b>Adjustments for :</b>  | -                  | -               |
| Depreciation  | 16.49              | 11.09           |
| Income from Investment - Dividends  | (99.24)            | (62.88)         |
| Exchange differences on translation of foreign currency cash and cash equivalents           | 2.81               | (0.06)          |
| Profit on Sale of Fixed Assets  | -                  | (3.44)          |
|   | 91.92              | 160.70          |
| <b>Operating profit before working capital changes</b>                                      |                    |                 |
| <b>Adjustments for changes in working capital :</b>   |                    |                 |
| (Increase)/Decrease in Work in Progress   | (3.59)             | (3.16)          |
| (Increase)/Decrease in Trade Receivables  | (65.77)            | 46.45           |
| (Increase)/Decrease in Loans and Advances   | 0.07               | (0.42)          |
| (Increase)/Decrease in Other Financial assets   | 2.65               | -               |
| (Increase)/Decrease in Other Current assets   | 9.76               | (7.92)          |
| Increase / (Decrease) in Trade and Other Payables   | 19.72              | (19.34)         |
| Increase / (Decrease) in Other financial liabilities  | 4.11               | -               |
| Increase / (Decrease) in Other Current Liabilities  | 51.51              | 21.59           |
| Increase / (Decrease) in Long term provisions   | -                  | -               |
| Increase / (Decrease) in Current Tax Liabilities  | 1.52               | (21.19)         |
| Increase / (Decrease) in Deferred tax   | 25.54              | (3.76)          |
|   | 45.52              | 12.24           |
| <b>Cash generated from operations</b>   | 137.44             | 172.94          |
| Less: Taxes Paid  | -                  | -               |
| <b>Net Cash from/(used in) Operating Activities</b>   | <b>137.44</b>      | <b>172.94</b>   |
| <b>B. Cash Flows from Investing Activities</b>  |                    |                 |
| Purchase of Fixed Assets  | (10.09)            | (37.12)         |
| Sale of Fixed Assets  | -                  | 4.00            |
| Purchase of Investments   | (77.98)            | (191.01)        |
| Sale of Mutual Funds  | -                  | -               |
| Decrease in Long Term Loans & Advances  | -                  | -               |
| Income from Investment - Dividends  | 99.24              | 62.88           |
| (Increase)/Decrease in Other Non-Current assets   | -                  | -               |
| <b>Net Cash used in Investing Activities</b>  | <b>11.16</b>       | <b>(161.25)</b> |
| <b>C. Cash Flows from Financing Activities</b>  |                    |                 |
| Increase/(Decrease) in Secured Loans  | -                  | -               |
| Interest paid   | -                  | -               |
| <b>Net Cash from/(used in) Financing Activities</b>   | <b>-</b>           | <b>-</b>        |
| <b>D. Exchange differences on translation of foreign currency cash and cash equivalents</b> |                    |                 |
|   | (2.81)             | 0.06            |
|   | -                  | -               |
| Net Increase in Cash and Cash equivalents during the year (A+B+C+D)                         | 145.80             | 11.75           |
| Cash and Cash equivalents at the beginning of the year                                      | 254.84             | 243.09          |
| <b>Cash and Cash equivalents at the end of the year</b>                                     | <b>400.64</b>      | <b>254.84</b>   |
| <b>Notes:</b>   |                    |                 |
| Cash and cash equivalents includes  |                    |                 |
| Cash on hand  | 0.02               | 0.03            |
| <i>Balances with scheduled banks</i>  | -                  | -               |
| In Current accounts   | 114.75             | 95.85           |
| In EEFC accounts  | 0.00               | 0.00            |
| In Fixed Deposit accounts   | 285.86             | 158.96          |
|   | <b>400.64</b>      | <b>254.84</b>   |

See accompanying Significant Accounting Policies & Notes to Financial Statements

As per our report of even date  
**For Jawahar and Associates.,**  
Chartered Accountants  
Firm Registration No: 001281S

**For and on behalf of the Board**

**M Chandramouleswara Rao**  
Partner  
Membership No: 024608  
UDIN: 23024608BGZGLR8883  
Place: Hyderabad  
Date : 24th May, 2024

**Mr. Bala Subramanyam Vanapalli**  
Executive Director  
DIN : 06399503

**CH. Suresh**  
Director  
DIN: 03473921

**Sunil Nemani**  
Chief Financial Officer  
PAN: AWRPN7930M

**Dr. Ramachandra Rao Nemani**  
CEO  
PAN: AFUPN8077R

**Prabhat Bhamini**  
Company Secretary  
ACS69664

**Notes to Financial Statements**

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

**1 Nature of operations**

B2B Software Technologies ( the “Company”) (CIN: L72200TG1994PLC018351) 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 10, 2023.

**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.

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 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 2.19. 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. The Company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

**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.

Effective April 1, 2018, the Company adopted Ind AS 115, *Revenue from Contracts with Customers*. The effect on adoption of Ind AS 115 was insignificant.

In arrangements for software development and related services and maintenance services, the Company has applied the guidance in Ind AS 115, *Revenue from Contracts with Customers*, by applying the revenue recognition criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering software development and related services as distinct performance obligations. For allocating the transaction price, the Company has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately in the best evidence of its standalone selling price. In cases where the company is unable to determine the standalone selling price, the company uses the expected cost plus margin approach in estimating the standalone selling price. For software development and related services, the performance obligations are satisfied as and when the services are rendered since the customer generally obtains control of the work as it progresses.

Provisions for estimated losses, if any, on incomplete contracts are recorded in the period in which such losses become probable, based on the estimated efforts or costs to complete the contract.

### **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 Straight Line method. The estimated useful lives of the assets are taken as per Schedule II to the Companies Act, 2013.

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end.

The useful lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

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 25 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 tax**

Deferred income tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences, except:

- Where the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit;
- In respect of taxable temporary differences associated with investments in subsidiaries and interests in joint operations, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credit and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised except:

- Where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of deductible temporary differences associated with investments in subsidiaries and interests in joint operations, deferred income tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Unrecognised deferred income tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred income tax assets and liabilities, relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

## **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**

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.

## 2.20 Recent accounting pronouncements

The Ministry of Corporate Affairs (MCA) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

a) **Ind AS 1, Presentation of Financial Statements** – This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the standalone financial statements.

b) **Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors** – This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its Standalone financial statements.

c) **Ind AS 12, Income Taxes** – This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its Standalone financial statements.

## Condensed Statement of Changes in Equity for the year ended 31 March 2023

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

### A. Equity Share Capital

| Particulars          | Balance as at April 1, 2022 | Changes in Equity Share Capital due to prior period errors | Restated balance at the beginning of the current reporting period | Changes in equity share capital during the year | Balance as at March 31, 2023 |
|----------------------|-----------------------------|--|---|---|------------------------------|
| Equity Share Capital | 1,158.54                    | -  | 1,158.54  | -   | 1,158.54                     |
| Forfeiture of Shares | 0.77                        | -  | 0.77  | -   | 0.77                         |
| <b>Total</b>         | <b>1,159.31</b>             | <b>-</b>   | <b>1,159.31</b>   | <b>-</b>  | <b>1,159.31</b>              |

### 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 2022   | -                    | -                          | 214.08            | 158.44   | -                                     | <b>372.51</b> |
| Profit for the year  | -                    | -                          | 227.05            | (11.05)  | -                                     | <b>215.99</b> |
| Equity instruments through other comprehensive income                | -                    | -                          | -                 | -  | -                                     | -             |
| Fair value changes on derivatives designated as cash flow hedge, net | -                    | -                          | -                 | -  | -                                     | -             |
| Fair value changes on investments, net                               | -                    | -                          | -                 | -  | -                                     | -             |
| Total Comprehensive Income for the year                              | -                    | -                          | 227.05            | (11.05)  | -                                     | <b>215.99</b> |
| Transfer to capital reserve  | -                    | -                          | -                 | -  | -                                     | -             |
| <b>Balance as at 31st March 2023</b>                                 | <b>-</b>             | <b>-</b>                   | <b>441.12</b>     | <b>147.38</b>  | <b>-</b>                              | <b>588.51</b> |



**Condensed Statement of Changes in Equity for the year ended 31 March 2024**

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

**A. Equity Share Capital**

| Particulars          | Balance as at April 1, 2023 | Changes in Equity Share Capital due to prior period errors | Restated balance at the beginning of the current reporting period | Changes in equity share capital during the year | Balance as at March 31, 2024 |
|----------------------|-----------------------------|--|---|---|------------------------------|
| Equity Share Capital | 1,158.54                    | -  | 1,158.54  | -   | 1,158.54                     |
| Forfeiture of Shares | 0.77                        | -  | 0.77  | -   | 0.77                         |
| <b>Total</b>         | <b>1,159.31</b>             | <b>-</b>   | <b>1,159.31</b>   | <b>-</b>  | <b>1,159.31</b>              |

**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 2023   | -                    | -                          | 441.12            | 147.38   | -                                     | <b>588.51</b> |
| Profit for the year  | -                    | -                          | 172.45            | (0.59)   | -                                     | <b>171.86</b> |
| Equity instruments through other comprehensive income                | -                    | -                          | -                 | -  | -                                     | -             |
| Fair value changes on derivatives designated as cash flow hedge, net | -                    | -                          | -                 | -  | -                                     | -             |
| Fair value changes on investments, net                               | -                    | -                          | -                 | -  | -                                     | -             |
| Total Comprehensive Income for the year                              | -                    | -                          | 172.45            | (0.59)   | -                                     | <b>171.86</b> |
| Transfer to capital reserve  | -                    | -                          | -                 | -  | -                                     | -             |
| <b>Balance as at 31st March 2024</b>                                 | <b>-</b>             | <b>-</b>                   | <b>613.57</b>     | <b>146.79</b>  | <b>-</b>                              | <b>760.36</b> |

**3. Property, Plant & Equipment**

The changes in the carrying value of property, plant and equipment for the year ended March 31, 2024 are as follows:

| Particulars  | Computers    | Servers      | Furniture and Fixtures | Office Equipment | Vehicles     | Total         |
|--|--------------|--------------|------------------------|------------------|--------------|---------------|
| <b>Gross Carrying Value as at April 1, 2023</b>      | 78.34        | 30.79        | 6.98                   | 18.74            | 22.27        | 157.12        |
| Additions  | 9.58         | 0.00         | 0.51                   | 0.00             | 0.00         | 10.09         |
| Deletions  | 0.00         | 0.00         | 0.00                   | 0.00             | 0.00         | 0.00          |
| <b>Gross Carrying Value as at March 31, 2024</b>     | <b>87.92</b> | <b>30.79</b> | <b>7.49</b>            | <b>18.74</b>     | <b>22.27</b> | <b>167.21</b> |
| <b>Accumulated Depreciation as at April 1, 2023</b>  | 69.62        | 24.18        | 5.48                   | 18.32            | 2.35         | 119.96        |
| Depreciation   | 7.38         | 2.37         | 0.40                   | 0.12             | 6.22         | 16.49         |
| Accumulated Depreciation on Deletions                | 0.00         | 0.00         | 0.00                   | 0.00             | 0.00         | 0.00          |
| <b>Accumulated Depreciation as at March 31, 2024</b> | <b>77.01</b> | <b>26.55</b> | <b>5.88</b>            | <b>18.44</b>     | <b>8.57</b>  | <b>136.45</b> |
| <b>Carrying Value as at April 1, 2023</b>            | 8.71         | 6.60         | 1.50                   | 0.42             | 19.92        | 37.16         |
| <b>Carrying Value as at March 31, 2024</b>           | 10.91        | 4.24         | 1.61                   | 0.30             | 13.70        | 30.75         |

The changes in the carrying value of property, plant and equipment for the Year ended March 31, 2023 are as follows:

| Particulars  | Computers    | Servers      | Furniture and Fixtures | Office Equipment | Vehicles     | Total         |
|--|--------------|--------------|------------------------|------------------|--------------|---------------|
| <b>Gross Carrying Value as at April 1, 2022</b>      | 71.78        | 22.89        | 6.17                   | 18.74            | 11.62        | 131.20        |
| Additions  | 6.56         | 7.90         | 0.81                   | 0.00             | 21.85        | 37.12         |
| Deletions  | 0.00         | 0.00         | 0.00                   | 0.00             | 11.21        | 11.21         |
| <b>Gross Carrying Value as at March 31, 2023</b>     | <b>78.34</b> | <b>30.79</b> | <b>6.98</b>            | <b>18.74</b>     | <b>22.27</b> | <b>157.12</b> |
| <b>Accumulated Depreciation as at April 1, 2022</b>  | 64.43        | 21.01        | 5.16                   | 18.11            | 10.82        | 119.52        |
| Depreciation   | 5.20         | 3.17         | 0.32                   | 0.22             | 2.18         | 11.09         |
| Accumulated Depreciation on Deletions                | -            | -            | -                      | -                | 10.65        | 10.65         |
| <b>Accumulated Depreciation as at March 31, 2023</b> | <b>69.62</b> | <b>24.18</b> | <b>5.48</b>            | <b>18.32</b>     | <b>2.35</b>  | <b>119.96</b> |
| <b>Carrying Value as at April 1, 2022</b>            | 7.35         | 1.87         | 1.01                   | 0.64             | 0.81         | 11.68         |
| <b>Carrying Value as at March 31, 2023</b>           | 8.71         | 6.60         | 1.50                   | 0.42             | 19.92        | 37.16         |

#### 4. Intangible Assets

The changes in the carrying value of intangible assets for the year ended March 31, 2024 are as follows:

| Particulars  | Copyrights  | Total       |
|--|-------------|-------------|
| <b>Gross Carrying Value as at April 1, 2023</b>      | 0.19        | 0.19        |
| Additions  | -           | -           |
| Deletions  | -           | -           |
| <b>Gross Carrying Value as at March 31, 2024</b>     | <b>0.19</b> | <b>0.19</b> |
| <b>Accumulated Depreciation as at April 1, 2023</b>  | 0.18        | 0.18        |
| Depreciation   | -           | -           |
| Accumulated Depreciation on Deletions                | -           | -           |
| <b>Accumulated Depreciation as at March 31, 2024</b> | <b>0.18</b> | <b>0.18</b> |
| <b>Carrying Value as at April 1, 2023</b>            | <b>0.01</b> | <b>0.01</b> |
| <b>Carrying Value as at March 31, 2024</b>           | <b>0.01</b> | <b>0.01</b> |

The changes in the carrying value of intangible assets for the Year ended March 31, 2023 are as follows:

| Particulars  | Copyrights  | Total       |
|--|-------------|-------------|
| <b>Gross Carrying Value as at April 1, 2022</b>      | <b>0.19</b> | 0.19        |
| Additions  | -           | -           |
| Deletions  | -           | -           |
| <b>Gross Carrying Value as at March 31, 2023</b>     | <b>0.19</b> | <b>0.19</b> |
| <b>Accumulated Depreciation as at April 1, 2022</b>  | 0.18        | 0.18        |
| Depreciation   | -           | -           |
| Accumulated Depreciation on Deletions                | -           | -           |
| <b>Accumulated Depreciation as at March 31, 2023</b> | <b>0.18</b> | <b>0.18</b> |
| <b>Carrying Value as at April 1, 2022</b>            | <b>0.01</b> | <b>0.01</b> |
| <b>Carrying Value as at March 31, 2023</b>           | <b>0.01</b> | <b>0.01</b> |

**Notes forming part of Balance Sheet for the year ended March 31, 2024**

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

| Particulars |  | AS AT                   |                         |
|-------------|--|-------------------------|-------------------------|
|             |  | March 31, 2024          | March 31, 2023          |
| <b>5</b>    | <b>Investments</b>   |                         |                         |
|             | <i>Non-Current</i>   |                         |                         |
|             | <i>(Unquoted, Investment in Equity shares)</i>                             |                         |                         |
|             | <b>Investment in Subsidiary, carried at cost</b>                           |                         |                         |
|             | <b>B2B Softech Inc.,</b>   |                         |                         |
|             | 72,000 Equity Shares of US Dollar 1 each, fully paid-up                    | 33.81                   | 33.81                   |
|             |  | <b>33.81</b>            | <b>33.81</b>            |
| <b>6</b>    | <b>Loans</b>   |                         |                         |
|             | <i>(Unsecured and considered good)</i>                                     |                         |                         |
|             | Loan to B2B ESOP Trust   | 60.00                   | 60.00                   |
|             |  | <b>60.00</b>            | <b>60.00</b>            |
|             | <i>(Unsecured and credit impaired)</i>                                     |                         |                         |
|             | Other Loans  | -                       | -                       |
|             | Less: Allowance for credit impairment                                      | -                       | -                       |
|             |  | <b>60.00</b>            | <b>60.00</b>            |
| <b>7</b>    | <b>Deferred Tax Asset (Net)</b>  |                         |                         |
|             | Deferred Tax Asset (Net)   | -                       | 9.15                    |
|             |  | -                       | <b>9.15</b>             |
| <b>8</b>    | <b>Other Non Current assets</b>  |                         |                         |
|             | Security Deposits  | 7.47                    | 7.47                    |
|             |  | <b>7.47</b>             | <b>7.47</b>             |
| <b>9</b>    | <b>Inventories</b>   |                         |                         |
|             | Work-In-Progress   | 14.86                   | 11.27                   |
|             | <i>( As certified by the management )</i>                                  |                         |                         |
|             |  | <b>14.86</b>            | <b>11.27</b>            |
| <b>10</b>   | <b>Investments</b>   |                         |                         |
|             | <b>(Quoted Investments, carried at Fair Value through Profit and Loss)</b> |                         |                         |
|             | <b>Investments in Equity Instruments</b>                                   | 44.22                   | 70.69                   |
|             | <b>Investments in Mutual Funds</b>   | 1,343.52                | 1,239.07                |
|             |  | <b>1,387.74</b>         | <b>1,309.76</b>         |
|             | Aggregate Amount of quoted Investments                                     | 1,387.74                | 1,309.76                |
|             | Market Value of quoted Investments   | 1,387.74                | 1,309.76                |
|             | Aggregate Amount of unquoted Investments                                   | -                       | -                       |
|             | Market Value of unquoted Investments                                       | 1,387.74                | 1,309.76                |
|             | <b>Method of Fair Valuation:</b>   |                         |                         |
|             | <b>Class of Investment</b>   | <b>Fair Value as at</b> | <b>Fair Value as at</b> |
|             |  | <b>March 31, 2024</b>   | <b>March 31, 2023</b>   |
|             | Investments in Equity Instruments  | 44.22                   | 70.69                   |
|             | Investments in Mutual Funds  | 1,343.52                | 1,239.07                |
|             |  | <b>1,387.74</b>         | <b>1,309.76</b>         |
| <b>11</b>   | <b>Trade Receivables</b>   |                         |                         |
|             | <i>(Unsecured and considered good)</i>                                     |                         |                         |
|             | Debts outstanding for a period exceeding six months                        | 0.20                    | -                       |
|             | Others   | 186.03                  | 120.46                  |
|             | Less: Provision for Doubtful Debts   | -                       | -                       |
|             |  | <b>186.23</b>           | <b>120.46</b>           |
| <b>12</b>   | <b>Cash and Cash Equivalents</b>   |                         |                         |
|             | <i>Balances with scheduled banks</i>                                       |                         |                         |
|             | In Current accounts  | 114.75                  | 95.85                   |
|             | In EEFC accounts   | 0.00                    | 0.00                    |
|             | Cash on hand   | 0.02                    | 0.03                    |
|             |  | 114.77                  | 95.88                   |
|             |  | <b>114.77</b>           | <b>95.88</b>            |

|           |  |  |   |
|-----------|--|--|---|
| <b>13</b> | <b>Bank balances other than Cash and Cash equivalents</b><br><i>Balances with scheduled banks</i><br>In Time Deposit accounts  | 285.86   | 158.96  |
|           |  | <b>285.86</b>  | <b>158.96</b>   |
| <b>14</b> | <b>Loans</b><br><i>(Unsecured and considered good)</i><br>Advances recoverable in cash or in kind for value to be received   | 2.03   | 2.09  |
|           |  | <b>2.03</b>  | <b>2.09</b>   |
|           | <i>(Unsecured and credit impaired)</i><br>Other Loans  | -  |   |
|           | Less: Allowance for credit impairment  | -  |   |
|           |  | <b>2.03</b>  | <b>2.09</b>   |
| <b>15</b> | <b>Other Financial Assets</b><br><i>(Unsecured and considered good)</i><br><i>Carried at Cost</i><br>Advances to Suppliers   | 0.38   | 3.03  |
|           |  | <b>0.38</b>  | <b>3.03</b>   |
| <b>16</b> | <b>Other Current assets</b><br>TDS Receivable<br>TCS Receivable<br>Interest accrued but not due<br>Earnest money deposit<br>Other Receivables<br>Income Tax Refund<br>B2B Employees Gratuity Trust   | 47.85<br>-<br>2.70<br>0.23<br>13.24<br>0.74<br>11.43 | 41.23<br>0.18<br>1.22<br>0.23<br>16.74<br>0.74<br>25.61 |
|           |  | <b>76.18</b>   | <b>85.94</b>  |
| <b>17</b> | <b>Equity Share Capital</b><br><b>(i) Share Capital</b><br><b>Authorised Capital :</b><br>1,20,00,000 (31st March 2023 : 1,20,00,000) Equity Shares of Rs.10 each<br><b>Issued, Subscribed and Paid up Capital :</b><br>11,585,400 (31st March 2023 : 11,585,400) Equity Shares of Rs.10 each fully paid up<br>Add : Shares Forfeited (Paid up value Rs.77000/-) | 1,200.00<br><br><br>1,158.54<br>0.77                 | 1,200.00<br><br><br>1,158.54<br>0.77                    |
|           |  | <b>1,159.31</b>                                      | <b>1,159.31</b>   |
|           | <b>Notes:</b><br><b>a) Details of Share Holders having more than 5% of Shares</b>  | <b>No of Shares</b>                                  | <b>No of Shares</b>                                     |
|           | 1.Rama Chandra Rao Nemani<br>( % of holding )  | 24,58,760<br>21%                                     | 24,58,760<br>21%  |
|           | 2.Ravileela Granites Limited<br>( % of holding )   | 15,11,000<br>13%                                     | 15,11,000<br>13%  |
|           | 3.Ram Nemani Def. Ben. Pension Plan Trust<br>( % of holding )  | 10,87,600<br>9%                                      | 10,87,600<br>9%   |
|           | 4.Janakirama Varma Meka<br>( % of holding )<br>( % of change in holding )  | 9,54,808<br>8.24%<br>-13.66%                         | 10,85,270<br>9.37%<br>0%                                |
|           | 5.Penmetsa Satyavati Varma<br>( % of holding )   | 6,62,400<br>6%                                       | 6,62,400<br>6%  |
|           | 6.B2B ESOP Trust<br>( % of holding )   | 6,00,000<br>5%                                       | 6,00,000<br>5%  |

|           |   |                    |                    |
|-----------|---|--------------------|--------------------|
|           | <b>b) Reconciliation of number of Shares outstanding</b>  |                    |                    |
|           | 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   | <b>1,15,85,400</b> | <b>1,15,85,400</b> |
|           | (Refer to Note no 45 for Shareholding Pattern of Promoters and Promoter Group as on March 31, 2024) |                    |                    |
| <b>18</b> | <b>Deferred Tax Liabilities (Net)</b>   | 16.39              |                    |
|           | Deferred Tax Liabilities (Net)  | <b>16.39</b>       |                    |
| <b>19</b> | <b>Long Term Provisions</b>   |                    |                    |
|           | Provision for Gratuity Payable  | -                  | -                  |
|           |   | -                  | -                  |
| <b>20</b> | <b>Trade Payables</b>   |                    |                    |
|           | <i>(Unsecured and considered good)</i>  |                    |                    |
|           | Dues to micro and small enterprises   | -                  | -                  |
|           | Dues to other than micro and small enterprises  | 25.92              | 6.20               |
|           |   | <b>25.92</b>       | <b>6.20</b>        |
| <b>21</b> | <b>Other Financial Liabilities</b>  |                    |                    |
|           | <i>(Unsecured and considered good)</i>  |                    |                    |
|           | (Carried at Cost)   |                    |                    |
|           | Advances received from Customers  | 11.32              | 7.21               |
|           |   | <b>11.32</b>       | <b>7.21</b>        |
| <b>22</b> | <b>Other Current Liabilities</b>  |                    |                    |
|           | Outstanding expenses  | 120.76             | 86.49              |
|           | Statutory liabilities   | 41.58              | 31.67              |
|           | Security Deposit  | 45.54              | 38.20              |
|           |   | <b>207.87</b>      | <b>156.36</b>      |
| <b>23</b> | <b>Short term Provisions</b>  |                    |                    |
|           | Provision for Gratuity Payable  | -                  | -                  |
|           |   | -                  | -                  |
| <b>24</b> | <b>Current tax liabilities (Net)</b>  |                    |                    |
|           | Provision for Income tax  | 18.93              | 17.40              |
|           |   | <b>18.93</b>       | <b>17.40</b>       |
| <b>25</b> | <b>Revenue from operations</b>  |                    |                    |
|           | <b>Export Income</b>  |                    |                    |
|           | Sale of Software Products   | -                  | -                  |
|           | Income from Consultancy Services  | 662.36             | 681.08             |
|           | <b>Domestic Income</b>  |                    |                    |
|           | Sale of Software Products   | 333.61             | 331.66             |
|           | Income from Consultancy Services  | 396.35             | 327.32             |
|           |   | <b>1,392.32</b>    | <b>1,340.07</b>    |
| <b>26</b> | <b>Other Income</b>   |                    |                    |
|           | Dividend from Mutual Fund   | 97.65              | 61.37              |
|           | Unrealised Gain /(Loss)_Investments   | 11.53              | -0.82              |
|           | Gain / (Loss ) on Investments   | 11.21              | 1.37               |
|           | Interest on Deposits  | 8.99               | 6.68               |
|           | Other Income  | 2.05               | 0.78               |
|           | Interest on TDS Refund  | 1.12               | 0.33               |
|           | Dividend on Investment Trade  | 1.59               | 1.51               |
|           | Exchange Fluctuation Gain/ (Loss)   | -                  | 0.06               |
|           | Reversal of Bad Debts   | -                  | 0.23               |
|           | Profit on Sale of Fixed Assets  | -                  | 3.44               |
|           |   | <b>134.14</b>      | <b>74.95</b>       |

**Notes forming part of Statement of profit and loss for the year ended March 31, 2024**

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

|           | Particulars   | AS AT          |                |
|-----------|---|----------------|----------------|
|           |   | March 31, 2024 | March 31, 2023 |
| <b>27</b> | <b>Purchases of Software Products</b>                   |                |                |
|           | Software Products                                       | 324.85         | 326.59         |
|           |   | <b>324.85</b>  | <b>326.59</b>  |
| <b>28</b> | <b>Employee benefit expenses</b>                        |                |                |
|           | *Salaries   | 722.14         | 623.83         |
|           | Contribution to Provident Fund and other Funds          | 34.09          | 26.18          |
|           | Staff Welfare Expenses                                  | 5.37           | 7.73           |
|           | Certification fee                                       | 0.09           | 0.06           |
|           | Stipend   | 3.85           | 3.42           |
|           | Managerial Remuneration CEO & CFO                       | 48.00          | 48.00          |
|           |   | <b>813.54</b>  | <b>709.23</b>  |
|           | <i>* Includes Director Remuneration</i>                 | 51.07          | 53.08          |
| <b>29</b> | <b>Administrative and other Expenses</b>                |                |                |
|           | Rent  | 13.46          | 12.58          |
|           | Rates and Taxes   | 9.95           | 7.84           |
|           | Insurance   | 0.68           | 0.74           |
|           | Travelling Expenses                                     | 29.68          | 12.39          |
|           | <b>Communication Expenses</b>                           | -              | -              |
|           | - Internet Charges                                      | 3.05           | 4.18           |
|           | - Telephone   | 0.26           | 0.24           |
|           | - Postage & Courier                                     | 0.01           | 0.01           |
|           | Printing and Stationery                                 | 0.14           | 0.16           |
|           | Electricity Charges                                     | 4.45           | 3.85           |
|           | Advertisement   | 0.97           | 0.95           |
|           | Exchange Fluctuation (Gain)/Loss                        | 2.81           | -              |
|           | <b>Repairs and Maintenance</b>                          | -              | -              |
|           | - Machinery   | 1.14           | 1.54           |
|           | - Vehicles  | 2.81           | 3.25           |
|           | Professional and Consultancy Charges                    | 64.21          | 45.44          |
|           | Auditor's Remuneration                                  |                |                |
|           | - Statutory Audit Fees                                  | 0.80           | 0.80           |
|           | - Internal Audit Fees                                   | 1.00           | 1.00           |
|           | - Tax Audit Fees  | -              | -              |
|           | - Other Services  | -              | -              |
|           | Directors Sitting Fee                                   | 1.50           | 1.60           |
|           | Membership Fee, Meeting & Seminar Charges               | 2.90           | 2.42           |
|           | Security Charges  | 2.70           | 2.52           |
|           | Office Maintenance                                      | 1.96           | 5.44           |
|           | Other Expenses  | 3.21           | 7.00           |
|           |   | <b>147.70</b>  | <b>113.95</b>  |
| <b>30</b> | <b>Other Comprehensive Income</b>                       |                |                |
|           | Items that will not be reclassified to Profit or (Loss) |                |                |
|           | Actuarial gain/(loss) - Gratuity                        | (0.59)         | (11.05)        |
|           |   | <b>(0.59)</b>  | <b>(11.05)</b> |

**Notes to Financial Statements**

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

**31 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 2024 | 31 March 2023 |
| Trade Receivables | 84.38         | 57.53         |
|                   | 1.01          | 0.70          |

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 2024 | Closing exchange rate | Effect of 5% strengthening of US \$ on net earnings | Effect of 5% strengthening of US \$ on total equity |
|-----------------|-----------------------|---|---|
| Indian Rupee    | 83.37                 | 84.38   | 84.38   |

| 31st March 2023 | Closing exchange rate | Effect of 5% strengthening of US \$ on net earnings | Effect of 5% strengthening of US \$ on total equity |
|-----------------|-----------------------|---|---|
| Indian Rupee    | 82.22                 | 57.53   | 57.53   |

**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 2024        | 31 March 2023 |
| Investment in Subsidiary (Non-Current) | 33.81                | 33.81         |
| Current Investments                    | 1,387.74             | 1,309.76      |
| Trade receivables                      | 186.23               | 120.46        |
| Short term deposits with banks         | 285.86               | 158.96        |
| Loans                                  | 62.03                | 62.09         |

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 2024

|                             | Current          | Non-Current |                    | Total         |
|-----------------------------|------------------|-------------|--------------------|---------------|
|                             | Within 12 months | 1-5 years   | Later than 5 years |               |
| Trade and Other Payables    | 25.92            | -           | -                  | 25.92         |
| Other Financial Liabilities | 11.32            | -           | -                  | 11.32         |
| Other Current Liabilities   | 207.87           | -           | -                  | 207.87        |
| <b>Total</b>                | <b>245.11</b>    | <b>-</b>    | <b>-</b>           | <b>245.11</b> |

The following is an analysis of the Company contractual undiscounted cash flows payable under financial liabilities at 31 March 2023

|                             | Current          | Non-Current |                    | Total         |
|-----------------------------|------------------|-------------|--------------------|---------------|
|                             | Within 12 months | 1-5 years   | Later than 5 years |               |
| Trade and Other Payables    | 6.20             | -           | -                  | 6.20          |
| Other Financial Liabilities | 7.21             | -           | -                  | 7.21          |
| Other Current Liabilities   | 156.36           | -           | -                  | 156.36        |
| <b>Total</b>                | <b>169.77</b>    | <b>-</b>    | <b>-</b>           | <b>169.77</b> |

### 32 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      |
|---|-----------------|-----------------|-----------------|-----------------|
|   | 31 March 2024   | 31 March 2024   | 31 March 2023   | 31 March 2023   |
| <b>Non- current financial assets</b>                      |                 |                 |                 |                 |
| Investment in subsidiary, at cost                         | 33.81           | 33.81           | 33.81           | 33.81           |
| Loans   | 60.00           | 60.00           | 60.00           | 60.00           |
| <b>Total Non-Current</b>                                  | <b>93.81</b>    | <b>93.81</b>    | <b>93.81</b>    | <b>93.81</b>    |
| <b>Current financial assets</b>                           |                 |                 |                 |                 |
| Current Investments - Liquid Mutual Fund Units and Shares | 1387.74         | 1,387.74        | 1,309.76        | 1,309.76        |
| Trade Receivables   | 186.23          | 186.23          | 120.46          | 120.46          |
| Cash and Cash Equivalents                                 | 114.77          | 114.77          | 95.88           | 95.88           |
| Bank Balances other than above                            | 285.86          | 285.86          | 158.96          | 158.96          |
| Loans   | 2.03            | 2.03            | 2.09            | 2.09            |
| Other Financial Assets                                    | 0.38            | 0.38            | 3.03            | 3.03            |
| <b>Total Current</b>                                      | <b>1,977.02</b> | <b>1,977.02</b> | <b>1,690.18</b> | <b>1,690.18</b> |
| <b>Total</b>  | <b>2,070.83</b> | <b>2,070.83</b> | <b>1,783.99</b> | <b>1,783.99</b> |
| <b>Non-current Financial Liabilities</b>                  |                 |                 |                 |                 |
| <b>Total Non-current</b>                                  | -               | -               | -               | -               |
| <b>Current Financial Liabilities</b>                      |                 |                 |                 |                 |
| Trade Payables  | 25.92           | 25.92           | 6.20            | 6.20            |
| Other Financial Liabilities                               | 11.32           | 11.32           | 7.21            | 7.21            |
| <b>Total Current</b>                                      | <b>37.25</b>    | <b>37.25</b>    | <b>13.41</b>    | <b>13.41</b>    |
| <b>Total</b>  | <b>37.25</b>    | <b>37.25</b>    | <b>13.41</b>    | <b>13.41</b>    |

### 33 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 2024   | Level I         | Level II | Level III | Total           |
|---|-----------------|----------|-----------|-----------------|
| <b>Financial assets measured at fair value</b>            |                 |          |           |                 |
| Current Investments - Liquid Mutual Fund Units and Shares | 1,387.74        | -        | -         | <b>1,387.74</b> |
| <b>Total</b>  | <b>1,387.74</b> | -        | -         | <b>1,387.74</b> |
| <b>Financial liabilities measured at fair value</b>       |                 |          |           |                 |
| <b>Total</b>  | -               | -        | -         | -               |

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 2024, there were no transfers between Level I, Level II and Level III fair value measurements.

| 31 March 2022                                       | Level I         | Level II | Level III | Total           |
|---|-----------------|----------|-----------|-----------------|
| <b>Financial assets measured at fair value</b>      |                 |          |           |                 |
| Current Investments - Liquid Mutual Fund Units      | 1,309.76        | -        | -         | 1,309.76        |
| <b>Total</b>  | <b>1,309.76</b> | <b>-</b> | <b>-</b>  | <b>1,309.76</b> |
| <b>Financial liabilities measured at fair value</b> |                 |          |           |                 |
| <b>Total</b>  | <b>-</b>        | <b>-</b> | <b>-</b>  | <b>-</b>        |

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 2023, there were no transfers between Level I, Level II and Level III fair value measurements.

### 34 Capital commitments and Contingent liabilities and Contingent Assets

There are no Capital commitments, Contingent Liabilities and Contingent Assets as on 31st March, 2023 (previous Year NIL)

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

| <u>Particulars</u> | <u>March 31, 2024</u> | <u>March 31, 2023</u> |
|--------------------|-----------------------|-----------------------|
| Software Services  | 624.66                | 698.38                |

### 36 Expenditure in Foreign Currency ( on payment basis )

| <u>Particulars</u>      | <u>March 31, 2024</u> | <u>March 31, 2023</u> |
|-------------------------|-----------------------|-----------------------|
| Foreign-Travelling Exps | 7.95                  | -                     |

### 37 Disclosure is made as per the requirement of the Ind-AS 24 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. Ramachandra Rao Nemani     | CEO & Director     |
| Mr. Bala Subramanyam Vanapalli | Executive Director |
| Sunil Nemani                   | CFO                |
| CS Prabhat Bhamini             | Company Secretary  |

##### c) Directors

|                        |   |
|------------------------|---|
| Yaramati Satyanarayana | Promoter and Non-Executive Director       |
| Ram Babu Mutyala       | Non-Promoter and Executive Director       |
| Arumilli Rambabu       | Non-Promoter and Independent Director     |
| Suresh Chode           | Non-Promoter and Non Independent Director |

Rajeswari Immani

 Non-Promoter and Independent Woman  
Director

**d) Parties where key managerial person has significant influence**

| Name of the party | KMP           | Relation of KMP |
|-------------------|---------------|-----------------|
| Genious Doc Inc   | Dr.Ram Nemani | Director        |

**ii) Transactions during the year**

| <u>Name of the Related party</u>        |                    | <u>March 31, 2024</u> | <u>March 31, 2023</u> |
|---|--------------------|-----------------------|-----------------------|
| <b>(a) With Genius Doc Inc</b>          |                    |                       |                       |
| Export of Software Services             |                    | 363.96                | 321.51                |
| <b>b) With Key Management Personnel</b> |                    |                       |                       |
|   | <b>Relation</b>    |                       |                       |
| Remuneration to V Bala Subramaniam      | Executive Director | 51.07                 | 53.08                 |
| Remuneration to Dr Ram Nemani           | CEO & Director     | 36.00                 | 36.00                 |
| Remuneration to Sunil Nemani            | CFO                | 12.00                 | 12.00                 |
| Remuneration to CS Prabhat Bhamini      | Company Secretary  | 3.78                  | 1.12                  |
| Remuneration to CS Jyothi Mantri        | Company Secretary  | -                     | 2.21                  |

**iii) Balances Outstanding at the Year End**

| <u>Name of the Related party</u>         |  | <u>March 31, 2024</u> | <u>March 31, 2023</u> |
|--|--|-----------------------|-----------------------|
| <b>(a) With Genius Doc Inc</b>           |  |                       |                       |
| Receivables                              |  | 61.21                 | 55.87                 |
| <b>(b) With Key Management Personnel</b> |  |                       |                       |
| Managerial Remuneration                  |  | 10.82                 | 6.79                  |

**38 Earning/(loss) Per Share as per Ind-AS 33:**

The Computation of EPS as per Ind-AS 33 is set out below:

|  | <u>March 31, 2024</u> | <u>March 31, 2023</u> |
|--|-----------------------|-----------------------|
| <b>Earnings</b>  |                       |                       |
| Profit/ (Loss) after Tax for the period                        | <b>172.45</b>         | <b>227.05</b>         |
| Weighted Average number of equity shares for Basic EPS (Nos)   | 115.85                | 115.85                |
| Add : Potential Equity shares (if any)                         | -                     | -                     |
| Weighted Average number of equity shares for Diluted EPS (Nos) | <b>0</b>              | <b>0</b>              |
| Face value per share (Rs.)                                     | 10                    | 10                    |
| Basic and diluted Earning Per Share                            | <b>1.49</b>           | <b>1.96</b>           |

**39 Investment in Mutual Funds**

|                 | <u>March 31, 2024</u> | <u>March 31, 2023</u> |
|-----------------|-----------------------|-----------------------|
|                 | <b>Amount</b>         | <b>Amount</b>         |
| Opening Balance | 1,239.07              | 1,115.90              |
| Add: Purchases  | 104.45                | 124.77                |
| Less: Sales     | -                     | (1.60)                |

Closing Balance 1,343.52 1,239.07

\* Net Asset Value as on 31.03.2024 is Rs 134,351,913/-

- 40** 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.
- 41** 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.
- 42** The Company is primarily engaged in Information Technology and related services. There is one reportable geographical segment in terms of Indian Accounting Standard 108 on Segment Reporting issued by the The Institute of Chartered Accountants of India.
- 43** Deferred tax asset/liability is determined and accounted as per Ind-AS 12 issued by ICAI.

The Tax reconciliation is as follows:

| Particulars                                | March 31, 2024 | March 31, 2023 |
|--|----------------|----------------|
| Accounting profit                          | 227.47         | 257.33         |
| Effective tax rate(%)                      | 0.00           | 0.00           |
| Tax on Profit at effective rates           | 57.25          | 64.77          |
| Earlier year taxes                         | -2.44          | -8.71          |
| Expenditure not deductible for tax purpose | 30.08          | 19.43          |
| Expenditure deductible for tax purpose     | 16.01          | 42.08          |
| Others                                     | 121.15         | 169.88         |
| Effective tax rate on above(%)             | 0.00           | 0.00           |
| Tax on Profit at effective rate (A)        | 30.49          | 42.75          |
| Income Chargeable to tax on Special rates  | -              | -              |
| Short Term Capital Gain                    | 4.64           | -              |
| Effective tax rate on above(%)             | 0.00           | 0.00           |
| Tax on above at effective rate (B)         | 0.80           | -              |
| Long Term Capital Gain                     | 6.57           | -              |
| Effective tax rate on above(%)             | 0.00           | 0.00           |
| Tax on above at effective rate (C)         | 0.64           | -              |
| Total Tax on Profit (A+B+C)                | 31.93          | 42.75          |

#### 44 Employee Benefits

During the year the company has made a provision of Rs. 8,65,332/- for gratuity based on Actuarial Valuation. The company has not created any assets to meet this obligation. Disclosure as required by Ind-AS 19 'Employee Benefits'

| Particulars   | March 31, 2024 | March 31, 2023 |
|---|----------------|----------------|
| <b>1 Changes in Present Value of Obligation</b>             |                |                |
| Present value of obligation as at the beginning of the year | 134.18         | 121.81         |
| Interest Cost   | 9.66           | 7.19           |
| Current service cost  | 14.55          | 11.38          |
| Actuarial gain/(loss) on obligations                        | (1.58)         | 2.75           |

|   |               |               |
|---|---------------|---------------|
| Benefits paid   | (6.54)        | (8.96)        |
| Present value of obligations at the end of the year   | <b>150.28</b> | <b>134.18</b> |
| <b>2 Changes in Fair Value of Plan Assets</b>   |               |               |
| Fair value of plan assets at the beginning of the year  | 148.92        | 116.26        |
| Acquisition adjustments   | -             | 1.62          |
| Expected return on plan assets  | 10.75         | 8.31          |
| Contributions   | -             | 40.00         |
| Benefits Paid   | (6.54)        | (8.96)        |
| Actuarial gain/(loss) on plan assets  | (2.17)        | (8.31)        |
| Fair value of plan assets at the end of the year  | <b>150.96</b> | <b>148.92</b> |
| <b>3 Liability Recognised in Balance Sheet</b>  |               |               |
| Present value of obligation as at the end of the year   | 150.28        | 134.18        |
| Fair value of plan assets at the end of the year  | -             | -             |
| Funded Status   | 150.28        | 134.18        |
| Net asset/(liability) recognised in balance sheet   | <b>150.28</b> | <b>134.18</b> |
| <b>4 Bifurcation of Net Liability</b>   |               |               |
| Current Liability (Short-term)  | 5.22          | 4.51          |
| Non - Current Liability (Long-term)   | 145.06        | 129.67        |
| <b>Net Liability</b>  | <b>150.28</b> | <b>134.18</b> |
| <b>5 Expenses Recognised in Statement of Profit &amp; Loss</b>                                |               |               |
| Current service cost  | 14.55         | 11.38         |
| Past Service Cost   | -             | -             |
| Interest Cost   | 9.66          | 7.19          |
| Expected Return on plan assets  | (10.75)       | (8.31)        |
| Expenses recognised in the Income Statement   | <b>13.47</b>  | <b>10.27</b>  |
| <b>Other Comprehensive Income</b>   |               |               |
| Actuarial gain/(loss) on Obligations - Change in Demographic assumptions                      | -             | -             |
| Actuarial gain/(loss) on Obligations - Change in Financial assumptions                        | -             | -             |
| Actuarial gain/(loss) on Obligations - Experience variance (Actual experience vs assumptions) | (1.58)        | 2.75          |
| <b>Total Actuarial gain/ (loss) on obligations</b>  | <b>(1.58)</b> | <b>2.75</b>   |
| <b>Actuarial gain/ (loss) on Plan assets</b>  | <b>(2.17)</b> | <b>(8.31)</b> |
| <b>Total Other Comprehensive Income</b>   | <b>0.59</b>   | <b>11.05</b>  |
| <b>Assumptions</b>  |               |               |
| Discount  | 7.10%         | 7.38%         |
| Escalation  | 7%            | 7%            |

## 45 The details of the shares held by promoters as at March 31, 2024 are as follows:

| Sl. No. | Name of Promoter                          | No of Shares held | % of Total Shares | % change during the year |
|---------|---|-------------------|-------------------|--------------------------|
|         | <b>Promoters</b>                          |                   |                   |                          |
| 1       | Samantha Reddy                            | 15,900            | 0.14              |                          |
| 2       | Srinivas Reddy Parvatha Reddy             | 2,12,410          | 1.83              |                          |
| 3       | P Leelavathi                              | 2,510             | 0.02              |                          |
| 4       | R Subbarami Reddy                         | 2,010             | 0.02              |                          |
| 5       | J Madan Mohan Reddy                       | 10                | -                 |                          |
| 6       | J Vasantha Reddy                          | 69,954            | 0.60              |                          |
| 7       | N Chinnappa Reddy                         | 10                | -                 |                          |
| 8       | Arun Raj                                  | 10                | -                 |                          |
| 9       | Ravileela Granites Limited                | 15,11,000         | 13.04             |                          |
| 10      | Ramachandra Rao Nemani                    | 24,58,760         | 21.22             |                          |
|         |   |                   |                   |                          |
|         | <b>Promoter Group</b>                     |                   |                   |                          |
| 1       | Neelam Jayanth Reddy                      | 7,900             | 0.07              |                          |
| 2       | Harshini                                  | 18,000            | 0.16              |                          |
| 3       | Dr K Lahiri                               | 600               | 0.01              |                          |
| 4       | N Lavanya Reddy                           | 2,500             | 0.02              |                          |
| 5       | S Ramesh                                  | 2,000             | 0.02              |                          |
| 6       | L Pratap Reddy                            | 1,000             | 0.01              |                          |
| 7       | Janakirama Varma Meka                     | 9,54,808          | 8.24              | -12.02                   |
| 8       | Sharmila Nemani                           | 4,96,700          | 4.29              |                          |
| 9       | Sunil Nemani                              | 3,73,600          | 3.22              |                          |
| 10      | Vinitha P Varma                           | 2,50,300          | 2.16              |                          |
| 11      | Prathima Nemani                           | 2,33,400          | 2.01              |                          |
| 12      | Chandralekha Meka                         | 0                 | -                 | -100                     |
| 13      | Krothapalli Anjaneyulu                    | 5,022             | 0.04              |                          |
| 14      | Krishna Varma Meka                        | 0                 | -                 | -100                     |
| 15      | Ram Nemani Def. Ben. Pension Plan Trust   | 10,87,600         | 9.39              |                          |
| 16      | Varma J Meka Def. Ben. Pension Plan Trust | 2,03,300          | 1.75              |                          |
|         | <b>Total</b>                              | <b>79,09,304</b>  | <b>68.26</b>      |                          |

The percentage shareholding above has been computed considering the outstanding number of shares of 11,585,400 as at March 31, 2024

**46 Trade Payables - Ageing Analysis**

| Particulars            | March 31, 2024   |           |           |                   |       |
|------------------------|--|-----------|-----------|-------------------|-------|
|                        | Outstanding for following periods from due date of payment |           |           |                   |       |
|                        | Less than 1 year   | 1-2 years | 2-3 years | More than 3 Years | Total |
| MSME                   | -  | -         | -         | -                 | -     |
| Others                 | 25.92  | -         | -         | -                 | 25.92 |
| Disputed Dues – MSME   | -  | -         | -         | -                 | -     |
| Disputed Dues – Others | -  | -         | -         | -                 | -     |

| Particulars            | March 31, 2023   |           |           |                   |       |
|------------------------|--|-----------|-----------|-------------------|-------|
|                        | Outstanding for following periods from due date of payment |           |           |                   |       |
|                        | Less than 1 year   | 1-2 years | 2-3 years | More than 3 Years | Total |
| MSME                   | -  | -         | -         | -                 | -     |
| Others                 | 6.20   | -         | -         | -                 | 6.20  |
| Disputed Dues – MSME   | -  | -         | -         | -                 | -     |
| Disputed Dues – Others | -  | -         | -         | -                 | -     |

**47 Trade Receivables - Ageing Analysis**

| Particulars  | March 31, 2024   |                   |           |           |                   |        |
|--|--|-------------------|-----------|-----------|-------------------|--------|
|  | Outstanding for following periods from due date of payment |                   |           |           |                   |        |
|  | Less than 6 months   | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 Years | Total  |
| Undisputed Trade Receivables – considered good     | 186.03   | 0.20              | -         | -         | -                 | 186.23 |
| Undisputed Trade Receivables – considered doubtful | -  | -                 | -         | -         | -                 | -      |
| Disputed Trade Receivables – considered good       | -  | -                 | -         | -         | -                 | -      |
| Disputed Trade Receivables – considered doubtful   | -  | -                 | -         | -         | -                 | -      |

| Particulars  | March 31, 2023   |                   |           |           |                   |        |
|--|--|-------------------|-----------|-----------|-------------------|--------|
|  | Outstanding for following periods from due date of payment |                   |           |           |                   |        |
|  | Less than 6 months   | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 Years | Total  |
| Undisputed Trade Receivables – considered good     | 120.46   | -                 | -         | -         | -                 | 120.46 |
| Undisputed Trade Receivables – considered doubtful | -  | -                 | -         | -         | -                 | -      |
| Disputed Trade Receivables – considered good       | -  | -                 | -         | -         | -                 | -      |
| Disputed Trade Receivables – considered doubtful   | -  | -                 | -         | -         | -                 | -      |

**48 Financial Ratios**

| Particulars                      | Formula   | 31.3.2024 | 31.3.2023 | Change in % | Reasons if change > 25%                                     |
|----------------------------------|---|-----------|-----------|-------------|---|
| Current Ratio                    | Current assets/Current Liabilities                          | 7.83      | 9.55      | -17.98%     |   |
| Debt-Equity Ratio                | NA  | -         | -         | 0.00%       |   |
| Debt Service Coverage Ratio      | NA  | -         | -         | 0.00%       |   |
| Return on Equity Ratio           | Profit for the period/Average Shareholder's Equity          | 0.09      | 0.14      | -32.08%     | Due to decrease in Profit after taxes compared to last year |
| Inventory turnover ratio         | Cost of Goods Sold/Average inventory                        | 24.59     | 33.37     | -26.33%     | Due to increase in Closing Average Inventory                |
| Trade Receivables turnover ratio | Credit sales/Average Trade receivables (Gross)              | 9.08      | 9.82      | -7.53%      |   |
| Trade payables turnover ratio    | Credit Purchases/Average Trade Payables                     | 20.22     | 25.43     | -20.46%     |   |
| Net capital turnover ratio       | Revenue from operations/Net Working Capital                 | 0.77      | 0.84      | -7.84%      |   |
| Net profit ratio                 | Profit for the period/Revenue from operations               | 12%       | 17%       | -26.90%     | Due to decrease in Profit after taxes compared to last year |
| Return on Capital employed       | EBIT/capital employed                                       | 12%       | 15%       | -19.52%     |   |
| Return on investment             | Income generated from invested funds/average funds invested | 7%        | 5%        | 39.07%      | Due to increase in Income generated from invested funds     |

49 The provisions of Section 135 of the Companies Act, 2013 is not applicable to the company. Hence, the company has not incurred any amount towards Corporate Social Responsibility during the current year or previous year.

50 a) The company does not have any transaction with the companies struck off under section 248 of the Companies Act 2013 or section 560 of the Companies Act 1956 during the year ended March 31, 2024 and March 31, 2023.

b) There are no charges or satisfaction which are to be registered with the Registrar of Companies during the year ended March 31, 2024 and March 31, 2023.

c) The company complies with the number of layers of companies in accordance with clause 87 of Section 2 of the Act read with the Companies (Restriction on number of layers) rules 2017 during the year ended March 31, 2024 and March 31, 2023.

d) The company has not invested or traded in cryptocurrency or virtual currency during the year ended March 31, 2024 and March 31, 2023.

e) No proceedings have been initiated on or are pending against the company for holding Benami property under the Prohibition of Benami Property Transaction Act 1988 (as amended in 2016) (formally the Benami Transactions (Prohibition) Act 1988 (45 of 1988) and Rules made thereunder during the year ended March 31, 2024 and March 31, 2023.

f) The Company is not declared as willful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof or other lender in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India.

g) The company has not entered into any scheme of arrangement approved by the competent authority in terms of sections 232 to 237 of the Companies Act 2013 during the year ended March 31, 2024 and March 31, 2023.

h) During the year ended March 31, 2024 and March 31, 2023, the company has not surrendered or disclosed as income any transactions not recorded in the books of accounts in the course of tax assessments under the Income Tax Act, 1961 (such as search or survey or any other relevant provisions of the Income Tax Act 1961).



“i) During the year ended March 31, 2024 and March 31, 2023, the company has not advanced or loaned or invested funds (either borrowed funds or the share premium or kind of funds) to any other person or entities, including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the intermediary shall:

1. Directly or Indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or
2. Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.”

“j) During the year ended March 31, 2024 and March 31, 2023, the company has not received any funds from any persons or entities including foreign entities (Funding party) with the understanding (whether recorded in writing or otherwise) that the company shall:

1. Directly or Indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or
2. Provide any guarantee, security or the like on behalf of the ultimate beneficiaries.”

k) The Company does not have any immovable properties included under Property, Plant & Equipments.

l) The Company does not have any Investment Property and intangible assets under development.

#### **51 Subsequent events**

No significant subsequent events have been observed till date of approval of Financials which may require any additional disclosure or an adjustment to the financial statements.”

**52** Previous period figures have been regrouped/reclassified/rearranged, wherever necessary, to conform to those of the Current Period.

## INDEPENDENT AUDITOR'S REPORT

To The Members

**M/s B2B Software Technologies Limited**

**Report on the Audit of the Consolidated Ind AS Financial Statements**

### Opinion

We have audited the accompanying Ind AS consolidated financial statements of **M/s B2B Software Technologies Limited** (hereinafter referred to as the 'Holding Company') and its subsidiary (collectively referred to as "the Group"), which comprise the consolidated Balance Sheet as at March 31, 2024, and the consolidated statement of Profit and Loss, (including other comprehensive income), the consolidated Cash Flow Statement, consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended ("Ind AS") and accounting principles generally accepted in India, of their consolidated state of affairs of the Group as at March 31, 2024, of its consolidated profit, its consolidated total comprehensive income, its consolidated changes in equity and their consolidated cash flows for the year then ended.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

| <b>Key Audit Matter</b>   |
|---|
| <p><i>Revenue from Operations:</i></p> <p>The accounting of revenue involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized over a period.</p>  |
| <p><i>Principle Audit Procedures</i></p> <p>We assessed the Group's process to identify the impact of adoption of the new revenue accounting standard. Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows:</p> <ol style="list-style-type: none"> <li>1. Evaluated the design of internal controls relating to implementation of the new revenue accounting standard.</li> <li>2. Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, re-performance and inspection of evidence in respect of operation of these controls.</li> </ol> |

**Information other than Financial Statements and Auditor's Report Thereon**

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the Consolidated Financial Statements, Standalone Financials Statements and our auditor's report thereon.

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

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

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

**Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

The Holding Company's Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act.

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; 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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group and of its subsidiaries.

**Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- i. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement

resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- ii. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- iv. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and jointly controlled entities to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- v. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- vi. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

### **Other Matters**

We did not audit the financial statements of the subsidiary which reflect total assets of Rs. 1,16,27,051 as at 31st March, 2024, total revenues of Rs.6,39,95,813 and net profit Rs. 12,04,901 for the year ended on that date, as considered in

the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditors after considering the requirement of Standard on Auditing (SA 600) on 'Using the work of Another Auditor' including materiality.

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

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

1. According to the information and explanations given to us and based on our examination of the Financial Statements of the Subsidiary, Companies (Auditor's Report) Order (CARO), 2020 report is not applicable to the Subsidiary included in the consolidated financial statements. Accordingly, reporting as required by the paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, is not applicable.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.
  - ii. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - iii. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and the Consolidated Statement of 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 financial statements.
  - iv. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
  - v. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2024 taken on record by the Board of Directors of the Holding Company, none of the directors of the Group is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
  - vi. With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure which is based on auditor's reports of the Holding Company and its subsidiary company.
  - vii. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
  - viii. 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:
    - a) There were no pending litigations which would impact the consolidated financial position of the Group.
    - b) The Group, its associates and jointly controlled entities did not have any material foreseeable losses on long-term contracts including derivative contracts.

- c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company.
- d)
- i) The respective management of the Holding Company has represented to us that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - ii) The respective management of the Holding Company has represented to us, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
  - iii) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.
- e) The company has not declared or paid any dividend during the year.
- f) Based on our examination, which included test checks, the company has used accounting software for maintaining its books of accounts for the financial year ended March 31, 2024 which has a feature of recording the audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of the audit trail feature being tampered with.

**For Jawahar & Associates,**  
Chartered Accountants

**M. Chandramouleswara Rao**  
Partner

Membership No: 024608

FRN: 001281S

UDIN: 24024608BKGTDQ1504

Place : Hyderabad  
Date : 24<sup>th</sup> May, 2024

## **Annexure 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 March 31, 2024, we have audited the internal financial controls over financial reporting of B2B Software Technologies Limited ("the Holding Company") as of that date.

#### **Management's Responsibility for Internal Financial Controls**

The Board of Directors of the Holding Company, 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 and to the best of our information and according to the explanations given to us, the Holding Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, 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.

**Other Matters**

Our aforesaid report under Section 143 (3) (i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to Consolidated Financial Statements insofar as it related to subsidiary company is based on the corresponding report of auditors of such company.

Our report is not modified in respect of the above matters.

**For Jawahar & Associates,**  
Chartered Accountants

**M. Chandramouleswara Rao**  
Partner

Membership No: 024608

FRN: 001281S

UDIN: 24024608BKGTDQ1504

Place : Hyderabad

Date : 24<sup>th</sup> May, 2024



**Consolidated Balance Sheet as at 31 March 2024**

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

| Particulars  | Note No. | AS AT           |                 |
|--|----------|-----------------|-----------------|
|  |          | March 31, 2024  | March 31, 2023  |
| <b>I. ASSETS</b>   |          |                 |                 |
| <b>1. Non-current assets</b>   |          |                 |                 |
| (a) Property, Plant and Equipment  | 1        | 30.75           | 37.16           |
| (b) Intangible assets  | 2        | 0.01            | 0.01            |
| (c) Financial Assets   |          | -               | -               |
| (i) Investments  | 5        | -               | -               |
| (ii) Loans   | 6        | 60.00           | 60.00           |
| (d) Deferred tax assets (net)  | 7        | -               | 9.15            |
| (e) Other non-current assets   | 8        | 7.47            | 7.47            |
|  |          | <b>98.23</b>    | <b>113.78</b>   |
| <b>2. Current assets</b>   |          |                 |                 |
| (a) Inventories  | 9        | 14.86           | 11.27           |
| (b) Financial Assets   |          | -               | -               |
| (i) Current Investments  | 10       | 1,387.74        | 1,309.76        |
| (ii) Trade receivables   | 11       | 186.23          | 120.46          |
| (iii) Cash and cash equivalents  | 12       | 231.04          | 198.59          |
| (iv) Bank balances other than (iii) above  | 13       | 285.86          | 158.96          |
| (v) Loans  | 14       | 2.03            | 2.09            |
| (vi) Other financial assets  | 15       | 0.38            | 3.03            |
| (c) Current tax assets (Net)   |          | -               | -               |
| (d) Other current assets   | 16       | 76.18           | 85.94           |
|  |          | <b>2,184.33</b> | <b>1,890.10</b> |
| <b>3. Non-current assets held for sale</b>   |          |                 |                 |
|  |          | -               | -               |
| <b>Total Assets</b>  |          | <b>2,282.56</b> | <b>2,003.88</b> |
| <b>II. EQUITY AND LIABILITIES</b>  |          |                 |                 |
| <b>A. Equity</b>   |          |                 |                 |
| (a) Equity share capital   | 17       | 1,159.31        | 1,159.31        |
| (b) Other equity   |          | 842.82          | 657.40          |
|  |          | <b>2,002.13</b> | <b>1,816.71</b> |
| <b>B. LIABILITIES</b>  |          |                 |                 |
| <b>1. Non-current liabilities</b>  |          |                 |                 |
| (a) Financial liabilities  |          | -               | -               |
| (i) Borrowings   |          | -               | -               |
| (i)a) Lease Liabilities  |          | -               | -               |
| (ii) Other financial liabilities   |          | -               | -               |
| (b) Provisions   | 18       | -               | -               |
| (c) Deferred Tax Liabilities (Net)   | 19       | 16.39           | -               |
| (d) Other non-current liabilities  |          | -               | -               |
|  |          | <b>16.39</b>    | <b>-</b>        |
| <b>2. Current liabilities</b>  |          |                 |                 |
| (a) Financial liabilities  |          | -               | -               |
| (i) Borrowings   |          | -               | -               |
| (i)a) Lease Liabilities  |          | -               | -               |
| (ii) Trade payables  | 20       | -               | -               |
| Total outstanding dues of micro enterprises and small enterprises                      |          | -               | -               |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 19       | 25.92           | 6.20            |
| (iii) Other financial liabilities  |          | 11.32           | 7.21            |
| (b) Other current liabilities  | 22       | 207.87          | 156.36          |
| (c) Short-term provisions  | 23       | -               | -               |
| (d) Current tax liabilities (Net)  | 24       | 18.93           | 17.40           |
|  |          | <b>264.04</b>   | <b>187.17</b>   |
| <b>Total Equity and Liabilities</b>  |          | <b>2,282.56</b> | <b>2,003.88</b> |

See accompanying notes to the financial statements

As per our report of even date  
**For Jawahar and Associates.,**  
Chartered Accountants  
Firm Registration No: 001281S

For and on behalf of the Board

**M Chandramouleswara Rao**  
Partner  
Membership No: 024608  
UDIN: 23024608BGZGLT4509  
Place: Hyderabad  
Date : 24 May, 2024

**Mr. Bala Subramanyam Vanapalli**  
Executive Director  
DIN : 06399503

**CH. Suresh**  
Director  
DIN: 03473921

**Sunil Nemani**  
Chief Financial Officer  
PAN: AWRPN7930M

**Dr. Ramachandra Rao Nemani**  
CEO  
PAN: AFUPN8077R

**Prabhat Bhamini**  
Company Secretary  
ACS69664

**Consolidated Statement of Profit and loss for the Year ended March 31, 2024**

All amounts in Indian rupees in lakhs, except share data and where otherwise stated

| Particulars   | Note No. | For the Year Ended |                 |
|---|----------|--------------------|-----------------|
|   |          | 31.03.2024         | 31.03.2023      |
| I. Revenue from Operations  | 25       | 2,032.28           | 1,977.38        |
| II. Other income  | 26       | 134.14             | 74.95           |
| <b>III. Total revenue (I+II)</b>  |          | <b>2,166.42</b>    | <b>2,052.33</b> |
| <b>IV. Expenses</b>   |          |                    |                 |
| (a) Purchases of Software Products  | 27       | 324.85             | 326.59          |
| (b) Changes in Inventory - WIP  |          | (3.59)             | (3.16)          |
| (c) Employee benefit expenses   | 28       | 1,234.91           | 1,136.26        |
| (d) Administrative and other expenses   | 29       | 354.23             | 313.01          |
| (e) Depreciation and amortization expense   | 1        | 16.49              | 11.09           |
| <b>Total expenses</b>   |          | <b>1,926.90</b>    | <b>1,783.78</b> |
| <b>V. Profit/(Loss) before exceptional items and tax (III - IV)</b>   |          | <b>239.52</b>      | <b>268.55</b>   |
| VI. Exceptional items   |          | -                  | -               |
| <b>VII. Profit/(Loss) before tax (V - VI)</b>   |          | <b>239.52</b>      | <b>268.55</b>   |
| <b>VIII. Tax expense / (income)</b>   |          |                    |                 |
| Current tax   |          | 31.93              | 42.75           |
| Earlier year taxes  |          | (2.44)             | (8.71)          |
| Deferred Tax  |          | 25.54              | (3.76)          |
| <b>Total tax expenses</b>   |          | <b>55.02</b>       | <b>30.28</b>    |
| <b>IX. Profit for the period / year (VII-VIII)</b>  |          | <b>184.50</b>      | <b>238.27</b>   |
| <b>Other Comprehensive Income</b>   |          |                    |                 |
| <b>A. Items that will not be reclassified to Profit or (Loss)</b>   | 30       | (0.59)             | (11.05)         |
| Income tax relating to items that will not be reclassified to profit or loss  |          |                    |                 |
| <b>B. Items that will be reclassified to Profit or Loss</b>   |          |                    |                 |
| Income tax relating to items that will be reclassified to profit or loss  |          |                    |                 |
|   |          | <b>(0.59)</b>      | <b>(11.05)</b>  |
| <b>Total Comprehensive Income for the period (Comprising Profit (Loss) and Other Comprehensive Income for the period)</b> |          | <b>183.91</b>      | <b>227.21</b>   |
| <b>Profit Attributable to</b>   |          |                    |                 |
| Parent Company  |          | 184.50             | 238.27          |
| Non Controlling Interest  |          | -                  | -               |
| <b>Total Comprehensive Income attributable to</b>   |          |                    |                 |
| Parent Company  |          | 183.91             | 227.21          |
| Non Controlling Interest  |          | -                  | -               |
| <b>Earnings per share-par value of `10 per share</b>  |          |                    |                 |
| Class A - Basic and diluted   |          | 1.59               | 2.06            |
| See accompanying notes to financial statements  |          |                    |                 |

As per our report of even date

For and on behalf of the Board

**For Jawahar and Associates.,**  
Chartered Accountants  
Firm Registration No: 001281S

**Mr. Bala Subramanyam Vanapalli**  
Executive Director  
DIN : 06399503

**CH. Suresh**  
Director  
DIN: 03473921

**M Chandramouleswara Rao**  
Partner  
Membership No: 024608  
UDIN: 23024608BGZGLT4509  
Place: Hyderabad  
Date : 24 May, 2024

**Sunil Nemani**  
Chief Financial Officer  
PAN: AWRPN7930M

**Dr. Ramachandra Rao Nemani**  
CEO  
PAN: AFUPN8077R

**Prabhat Bhamini**  
Company Secretary  
ACS69664

**Cash Flow Statement for the year ended March 31, 2024**
*(All amounts in Indian Rupees in lakhs, except share data and where otherwise stated)*

Accounting policy Cash flows are reported using the indirect method, whereby profit for the year 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. The Company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

| Particulars   | For the Year Ended |                 |
|---|--------------------|-----------------|
|   | 31.03.2024         | 31.03.2023      |
| <b>A. Cash Flows from Operating Activities</b>  |                    |                 |
| Net profit/(loss) after tax   | 183.91             | 227.21          |
| <b>Adjustments for :</b>  | -                  | -               |
| Depreciation  | 16.49              | 11.09           |
| Income from Investment - Dividends  | (99.24)            | (62.88)         |
| Exchange differences on translation of foreign currency cash and cash equivalents           | 2.81               | (0.06)          |
| Profit on Sale of Fixed Assets  | -                  | (3.44)          |
|   | 103.97             | 171.92          |
| <b>Operating profit before working capital changes</b>                                      |                    |                 |
| <b>Adjustments for changes in working capital :</b>   |                    |                 |
| (Increase)/Decrease in Work in Progress   | (3.59)             | (3.16)          |
| (Increase)/Decrease in Trade Receivables  | (65.77)            | 46.45           |
| (Increase)/Decrease in Loans and Advances   | 0.07               | (0.42)          |
| (Increase)/Decrease in Other Financial assets   | 2.65               | -               |
| (Increase)/Decrease in Other Current assets   | 9.76               | (7.92)          |
| Increase / (Decrease) in Trade and Other Payables   | 19.72              | (19.34)         |
| Increase / (Decrease) in Other financial liabilities  | 4.11               | -               |
| Increase / (Decrease) in Other Current Liabilities  | 51.51              | 21.59           |
| Increase / (Decrease) in Long term provisions   | -                  | -               |
| Increase / (Decrease) in Current Tax Liabilities  | 1.52               | (21.19)         |
| Increase / (Decrease) in Deferred tax   | 25.54              | (3.76)          |
|   | 45.52              | 12.24           |
| <b>Cash generated from operations</b>   | 149.48             | 184.16          |
| Less: Taxes Paid  | -                  | -               |
| <b>Net Cash from/(used in) Operating Activities</b>   | <b>149.48</b>      | <b>184.16</b>   |
| <b>B. Cash Flows from Investing Activities</b>  |                    |                 |
| Purchase of Fixed Assets  | (10.09)            | (37.12)         |
| Sale of Fixed Assets  | -                  | 4.00            |
| Purchase of Investments   | (77.98)            | (191.01)        |
| Sale of Mutual Funds  | -                  | -               |
| Decrease in Long Term Loans & Advances  | -                  | -               |
| Income from Investment - Dividends  | 99.24              | 62.88           |
| (Increase)/Decrease in Other Non-Current assets   | -                  | -               |
| <b>Net Cash used in Investing Activities</b>  | <b>11.16</b>       | <b>(161.25)</b> |
| <b>C. Cash Flows from Financing Activities</b>  |                    |                 |
| Increase/(Decrease) in Secured Loans  | -                  | -               |
| Interest paid   | -                  | -               |
| <b>Net Cash from/(used in) Financing Activities</b>   | <b>-</b>           | <b>-</b>        |
| <b>D. Exchange differences on translation of foreign currency cash and cash equivalents</b> |                    |                 |
|   | (1.29)             | 7.50            |
|   | -                  | -               |
| Net Increase in Cash and Cash equivalents during the year (A+B+C+D)                         | 159.36             | 30.42           |
| Cash and Cash equivalents at the beginning of the year                                      | 357.55             | 327.13          |
| <b>Cash and Cash equivalents at the end of the year</b>                                     | <b>516.91</b>      | <b>357.55</b>   |
| <b>Notes:</b>   |                    |                 |
| <b>Cash and cash equivalents includes</b>   |                    |                 |
| Cash on hand  | 0.02               | 0.03            |
| <i>Balances with scheduled banks</i>  | -                  | -               |
| In Current accounts   | 231.02             | 198.56          |
| In EEFC accounts  | 0.00               | 0.00            |
| In Fixed Deposit accounts   | 285.86             | 158.96          |
|   | <b>516.91</b>      | <b>357.55</b>   |

See accompanying Significant Accounting Policies & Notes to Financial Statements

As per our report of even date  
**For Jawahar and Associates.,**  
*Chartered Accountants*  
 Firm Registration No: 001281S

**For and on behalf of the Board**

**M Chandramouleswara Rao**  
 Partner  
 Membership No: 024608  
 UDIN: 23024608BGZGLR8883  
 Place: Hyderabad  
 Date : 24th May, 2024

**Mr. Bala Subramanyam Vanapalli**  
 Executive Director  
 DIN : 06399503

**CH. Suresh**  
 Director  
 DIN: 03473921

**Sunil Nemani**  
 Chief Financial Officer  
 PAN: AWRPN7930M

**Dr. Ramachandra Rao Nemani**  
 CEO  
 PAN: AFUPN8077R

**Prabhat Bhamini**  
 Company Secretary  
 ACS69664

## Notes to Financial Statements

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

### 1 Nature of operations

The consolidated financial statements comprise financial statements of B2B Software Technologies Limited ("the Holding Company" or "the company" or "the parent") and its subsidiary (collectively, the Group) for the year ended March 31, 2024.

B2B Software Technologies (the "Company") (CIN: L72200TG1994PLC018351) 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 10, 2023.

### 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.

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 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 2.19. 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. The Company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

#### 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.

Effective April 1, 2018, the Company adopted Ind AS 115, *Revenue from Contracts with Customers*. The effect on adoption of Ind AS 115 was insignificant.

In arrangements for software development and related services and maintenance services, the Company has applied the guidance in Ind AS 115, *Revenue from Contracts with Customers*, by applying the revenue recognition criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering software development and related services as distinct performance obligations. For allocating the transaction price, the Company has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately in the best evidence of its standalone selling price. In cases where the company is unable to determine the standalone selling price, the company uses the expected cost plus margin approach in estimating the standalone selling price. For software development and related services, the performance obligations are satisfied as and when the services are rendered since the customer generally obtains control of the work as it progresses.

Provisions for estimated losses, if any, on incomplete contracts are recorded in the period in which such losses become probable, based on the estimated efforts or costs to complete the contract.

### **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 Straight Line method. The estimated useful lives of the assets are taken as per Schedule II to the Companies Act, 2013. Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end. The useful lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

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 33 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 income tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences, except:

- Where the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit;
- In respect of taxable temporary differences associated with investments in subsidiaries and interests in joint operations, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credit and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised except:

- Where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of deductible temporary differences associated with investments in subsidiaries and interests in joint operations, deferred income tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Unrecognised deferred income tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred income tax assets and liabilities, relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

## **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**

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.

### 2.20 Recent accounting pronouncements

The Ministry of Corporate Affairs (MCA) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

- Ind AS 1, Presentation of Financial Statements** – This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the standalone financial statements.
- Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors** – This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its Standalone financial statements.
- Ind AS 12, Income Taxes** – This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its Standalone financial statements.

## 3 Basis of Consolidation

### 3.01 Basis of Accounting

The financial statements of the Subsidiary Company in the consolidation are drawn up to the same reporting date as that of the Company.

The Consolidated Financial Statements have been prepared in accordance with IND AS 110 "Consolidated Financial Statements" and IND AS 103 "Business Combination" notified by the Central Government of India under Section 133 of the Companies Act, 2013.

### 3.02 Principles of Consolidation

"The company consolidates entities which it owns or controls. The Consolidated financial statements comprise the financial statements of the Company and its subsidiary.

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."

"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. Non-controlling interests which represent part of the net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the Company, are excluded."

The Part of net results of Operations and of the net assets of a subsidiary Attributable to interests which are not owned, directly or indirectly through subsidiary(ies), by the parent are recognised as Minority Interest.

The Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements except as otherwise stated in the notes to the accounts.

The difference between the cost of investment in the Subsidiary and the share of net assets at the time of acquisition of shares is identified in the financial statements as goodwill or Gain on bargain purchase as the case may be.

Minority interests' share of profit of consolidated subsidiary is identified and adjusted against income of the group in order to arrive at the surplus attributable to the shareholders of the Company.

### 3.03 Particulars of Subsidiaries:

| S. No | Name of the Subsidiary Company | Country of Incorporation | As at 31.03.2024 |
|-------|--------------------------------|--------------------------|------------------|
| 1     | B2B Softech Inc.               | USA                      | 100.00%          |

### Statement of Changes in Equity for the year ended 31st March 2023

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

#### A. Equity Share Capital

| Particulars          | Balance as at April 1, 2022 | Changes in equity share capital during the year | Balance as at March 31, 2023 |
|----------------------|-----------------------------|---|------------------------------|
| Equity Share Capital | 1,158.54                    | -   | 1,158.54                     |
| Forfeiture of Shares | 0.77                        | -   | 0.77                         |
| <b>Total</b>         | <b>1,159.31</b>             | <b>-</b>  | <b>1,159.31</b>              |

#### 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 1st April 2022   | -                    | -                          | 242.57            | 158.44   | 21.74   | -                                     | 422.74        |
| Profit for the year  | -                    | -                          | 238.27            | (11.05)  | 7.44  | -                                     | 234.66        |
| Equity instruments through other comprehensive income                | -                    | -                          | -                 | -  | -   | -                                     | -             |
| Fair value changes on derivatives designated as cash flow hedge, net | -                    | -                          | -                 | -  | -   | -                                     | -             |
| Fair value changes on investments, net                               | -                    | -                          | -                 | -  | -   | -                                     | -             |
| Total Comprehensive Income for the year                              | -                    | -                          | 238.27            | (11.05)  | 7.44  | -                                     | 234.66        |
| Transfer to capital reserve  | -                    | -                          | -                 | -  | -   | -                                     | -             |
| <b>Balance as at 31st March 2023</b>                                 | <b>-</b>             | <b>-</b>                   | <b>480.83</b>     | <b>147.38</b>  | <b>29.18</b>  | <b>-</b>                              | <b>657.40</b> |

### Condensed Statement of Changes in Equity for the year ended 31st March 2024

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

#### A. Equity Share Capital

| Particulars          | Balance as at April 1, 2023 | Changes in equity share capital during the year | Balance as at March 31, 2024 |
|----------------------|-----------------------------|---|------------------------------|
| Equity Share Capital | 1,158.54                    | -   | 1,158.54                     |
| Forfeiture of Shares | 0.77                        | -   | 0.77                         |
| <b>Total</b>         | <b>1,159.31</b>             | <b>-</b>  | <b>1,159.31</b>              |

**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 1st April 2023   | -                    | -                          | 480.83            | 147.38   | 29.18   | -                                     | 657.40        |
| Profit for the year  | -                    | -                          | 184.50            | (0.59)   | 1.52  | -                                     | 185.42        |
| Equity instruments through other comprehensive income                | -                    | -                          | -                 | -  | -   | -                                     | -             |
| Fair value changes on derivatives designated as cash flow hedge, net | -                    | -                          | -                 | -  | -   | -                                     | -             |
| Fair value changes on investments, net                               | -                    | -                          | -                 | -  | -   | -                                     | -             |
| Total Comprehensive Income for the year                              | -                    | -                          | 184.50            | (0.59)   | 1.52  | -                                     | 185.42        |
| Transfer to capital reserve  | -                    | -                          | -                 | -  | -   | -                                     | -             |
| <b>Balance as at 31st March 2024</b>                                 | -                    | -                          | <b>665.33</b>     | <b>146.79</b>  | <b>30.70</b>  | -                                     | <b>842.82</b> |

**4. Property, Plant & Equipment**

The changes in the carrying value of property, plant and equipment for the year ended March 31, 2024 are as follows:

| Particulars  | Computers    | Servers      | Furniture and Fixtures | Office Equipment | Vehicles     | Total         |
|--|--------------|--------------|------------------------|------------------|--------------|---------------|
| <b>Gross Carrying Value as at April 1, 2023</b>      | 78.34        | 30.79        | 6.98                   | 18.74            | 22.27        | 157.12        |
| Additions  | 9.58         | -            | 0.51                   | -                | -            | 10.09         |
| Deletions  | -            | -            | -                      | -                | -            | -             |
| <b>Gross Carrying Value as at March 31, 2024</b>     | <b>87.92</b> | <b>30.79</b> | <b>7.49</b>            | <b>18.74</b>     | <b>22.27</b> | <b>167.21</b> |
| <b>Accumulated Depreciation as at April 1, 2023</b>  | 69.62        | 24.18        | 5.48                   | 18.32            | 2.35         | 119.96        |
| Depreciation   | 7.38         | 2.37         | 0.40                   | 0.12             | 6.22         | 16.49         |
| Accumulated Depreciation on Deletions                | -            | 0.00         | -                      | -                | -            | -             |
| <b>Accumulated Depreciation as at March 31, 2024</b> | <b>77.01</b> | <b>26.55</b> | <b>5.88</b>            | <b>18.44</b>     | <b>8.57</b>  | <b>136.45</b> |
| <b>Carrying Value as at April 1, 2023</b>            | 8.71         | 6.60         | 1.50                   | 0.42             | 19.92        | 37.16         |
| <b>Carrying Value as at March 31, 2024</b>           | 10.91        | 4.24         | 1.61                   | 0.30             | 13.70        | 30.75         |

The changes in the carrying value of property, plant and equipment for the Year ended March 31, 2023 are as follows:

| Particulars  | Computers    | Servers      | Furniture and Fixtures | Office Equipment | Vehicles     | Total         |
|--|--------------|--------------|------------------------|------------------|--------------|---------------|
| <b>Gross Carrying Value as at April 1, 2022</b>      | 71.78        | 22.89        | 6.17                   | 18.74            | 11.62        | 131.20        |
| Additions  | 6.56         | 7.90         | 0.81                   | -                | 21.85        | 37.12         |
| Deletions  | -            | -            | -                      | -                | 11.21        | 11.21         |
| <b>Gross Carrying Value as at March 31, 2023</b>     | <b>78.34</b> | <b>30.79</b> | <b>6.98</b>            | <b>18.74</b>     | <b>22.27</b> | <b>157.12</b> |
| <b>Accumulated Depreciation as at April 1, 2022</b>  | 64.43        | 21.01        | 5.16                   | 18.11            | 10.82        | 119.52        |
| Depreciation   | 5.20         | 3.17         | 0.32                   | 0.22             | 2.18         | 11.09         |
| Accumulated Depreciation on Deletions                | -            | -            | -                      | -                | 10.65        | 10.65         |
| <b>Accumulated Depreciation as at March 31, 2023</b> | <b>69.62</b> | <b>24.18</b> | <b>5.48</b>            | <b>18.32</b>     | <b>2.35</b>  | <b>119.96</b> |
| <b>Carrying Value as at April 1, 2022</b>            | 7.35         | 1.87         | 1.01                   | 0.64             | 0.81         | 11.68         |
| <b>Carrying Value as at March 31, 2023</b>           | 8.71         | 6.60         | 1.50                   | 0.42             | 19.92        | 37.16         |

**5. Intangible Assets**

The changes in the carrying value of intangible assets for the year ended March 31, 2024 are as follows:

| Particulars  | Copyrights  | Total       |
|--|-------------|-------------|
| <b>Gross Carrying Value as at April 1, 2023</b>      | 0.19        | 0.19        |
| Additions  | -           | -           |
| Deletions  | -           | -           |
| <b>Gross Carrying Value as at March 31, 2024</b>     | <b>0.19</b> | <b>0.19</b> |
| <b>Accumulated Depreciation as at April 1, 2023</b>  | -           | -           |
| Depreciation   | 0.18        | 0.18        |
| Accumulated Depreciation on Deletions                | -           | -           |
| <b>Accumulated Depreciation as at March 31, 2024</b> | <b>0.18</b> | <b>0.18</b> |
|  | -           | -           |
| <b>Carrying Value as at April 1, 2023</b>            | <b>0.01</b> | <b>0.01</b> |
| <b>Carrying Value as at March 31, 2024</b>           | <b>0.01</b> | <b>0.01</b> |

The changes in the carrying value of intangible assets for the Year ended March 31, 2023 are as follows:

| Particulars  | Copyrights  | Total       |
|--|-------------|-------------|
| <b>Gross Carrying Value as at April 1, 2022</b>      | <b>0.19</b> | 0.19        |
| Additions  | -           | -           |
| Deletions  | -           | -           |
| <b>Gross Carrying Value as at March 31, 2023</b>     | <b>0.19</b> | <b>0.19</b> |
|  | -           | -           |
| <b>Accumulated Depreciation as at April 1, 2022</b>  | 0.18        | 0.18        |
| Depreciation   | -           | -           |
| Accumulated Depreciation on Deletions                | -           | -           |
| <b>Accumulated Depreciation as at March 31, 2023</b> | <b>0.18</b> | <b>0.18</b> |
|  | -           | -           |
|  | -           | -           |
| <b>Carrying Value as at April 1, 2022</b>            | <b>0.01</b> | <b>0.01</b> |
| <b>Carrying Value as at March 31, 2023</b>           | <b>0.01</b> | <b>0.01</b> |

**Notes forming part of Balance Sheet for the year ended March 31, 2024**

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

| Particulars |  | AS AT                                  |  |
|-------------|--|--|--|
|             |  | March 31, 2024                         | March 31, 2023                         |
| <b>6</b>    | <b>Investments</b>   |  |  |
|             | <b>Non-Current</b>   |  |  |
|             | <i>(Unquoted, Investment in Equity shares)</i>                             |  |  |
|             | <b>Investment in Subsidiary, carried at cost</b>                           |  |  |
|             | <b>B2B Softech Inc.,</b>   |  |  |
|             | 72,000 Equity Shares of US Dollar 1 each, fully paid-up                    | -                                      | -                                      |
|             |  |  |  |
|             |  | -                                      | -                                      |
| <b>7</b>    | <b>Loans</b>   |  |  |
|             | <i>(Unsecured and considered good)</i>                                     |  |  |
|             | Loan to B2B ESOP Trust   | 60.00                                  | 60.00                                  |
|             |  | <b>60.00</b>                           | <b>60.00</b>                           |
|             | <i>(Unsecured and credit impaired)</i>                                     |  |  |
|             | Other Loans  | -                                      | -                                      |
|             | Less: Allowance for credit impairment                                      | -                                      | -                                      |
|             |  | -                                      | -                                      |
|             |  | <b>60.00</b>                           | <b>60.00</b>                           |
| <b>8</b>    | <b>Deferred Tax Asset (Net)</b>  |  |  |
|             | Deferred Tax Asset (Net)   | -16.39                                 | 9.15                                   |
|             |  | <b>-16.39</b>                          | <b>9.15</b>                            |
| <b>9</b>    | <b>Other Non Current assets</b>  |  |  |
|             | Security Deposits  | 7.47                                   | 7.47                                   |
|             |  | <b>7.47</b>                            | <b>7.47</b>                            |
| <b>10</b>   | <b>Inventories</b>   |  |  |
|             | Work-In-Progress   | 14.86                                  | 11.27                                  |
|             | <i>( As certified by the management )</i>                                  | -                                      | -                                      |
|             |  | <b>14.86</b>                           | <b>11.27</b>                           |
| <b>11</b>   | <b>Investments</b>   |  |  |
|             | <i>(Quoted Investments, carried at Fair Value through Profit and Loss)</i> |  |  |
|             | Investments Held In Trade  | 44.22                                  | 70.69                                  |
|             | Investments in Mutual Funds  | 1,343.52                               | 1,239.07                               |
|             |  | <b>1,387.74</b>                        | <b>1,309.76</b>                        |
|             | Aggregate Amount of quoted Investments                                     | 1,387.74                               | 1,309.76                               |
|             | Market Value of quoted Investments   | 1,387.74                               | 1,309.76                               |
|             | Aggregate Amount of unquoted Investments                                   | -                                      | -                                      |
|             | Market Value of unquoted Investments                                       | 1,387.74                               | 1,309.76                               |
|             | <b>Method of Fair Valuation:</b>   |  |  |
|             | <b>Class of Investment</b>   | <b>Method</b>                          |  |
|             | Investments in Equity Instruments  | Quoted price                           |  |
|             | Investments in Mutual Funds  | Quoted price                           |  |
|             |  |  |  |
|             |  | <b>Fair Value as at March 31, 2024</b> | <b>Fair Value as at March 31, 2024</b> |
|             |  | 44.22                                  | 70.69                                  |
|             |  | 1,343.52                               | 1,239.07                               |
|             |  | <b>1,388</b>                           | <b>1,310</b>                           |
| <b>12</b>   | <b>Trade Receivables</b>   |  |  |
|             | <i>(Unsecured and considered good)</i>                                     |  |  |
|             | Debts outstanding for a period exceeding six months                        | 0.20                                   | -                                      |
|             | Others   | 186.03                                 | 120.46                                 |
|             | Less: Less: Allowance for expected credit loss                             | -                                      | -                                      |
|             |  | <b>186.23</b>                          | <b>120.46</b>                          |

|           |   |                     |                     |
|-----------|---|---------------------|---------------------|
| <b>13</b> | <b>Cash and Cash Equivalents</b>  |                     |                     |
|           | Cash on hand  | 0.02                | 0.03                |
|           | <i>Balances with scheduled banks</i>  | -                   | -                   |
|           | In Current accounts   | 231.02              | 198.56              |
|           | In EEFC accounts  | 0.00                | 0.00                |
|           | Cash on hand  | 0.00                | 0.00                |
|           |   | <b>231.04</b>       | <b>198.59</b>       |
| <b>14</b> | <b>Bank balances other than Cash and Cash equivalents</b>                           |                     |                     |
|           | <i>Balances with scheduled banks</i>  |                     |                     |
|           | In Time Deposit accounts  | 285.86              | 158.96              |
|           |   | <b>285.86</b>       | <b>158.96</b>       |
| <b>15</b> | <b>Loans</b>  |                     |                     |
|           | <i>(Unsecured and considered good)</i>  |                     |                     |
|           | Advances recoverable in cash or in kind for value to be received                    | 2.03                | 2.09                |
|           |   | <b>2.03</b>         | <b>2.09</b>         |
|           | <i>(Unsecured and credit impaired)</i>  |                     |                     |
|           | Other Loans   | -                   | -                   |
|           | Less: Allowance for credit impairment   | -                   | -                   |
|           |   | -                   | -                   |
|           |   | <b>2.03</b>         | <b>2.09</b>         |
| <b>16</b> | <b>Other Financial Assets</b>   |                     |                     |
|           | <i>(Unsecured and considered good)</i>  |                     |                     |
|           | <i>Carried at Cost</i>  |                     |                     |
|           | Advances to Suppliers   | 0.38                | 3.03                |
|           |   | <b>0.38</b>         | <b>3.03</b>         |
| <b>17</b> | <b>Other Current assets</b>   |                     |                     |
|           | TDS Receivable  | 47.85               | 41.23               |
|           | Interest accrued but not due  | 2.70                | 1.22                |
|           | Earnest money deposit   | 0.23                | 0.23                |
|           | Other Receivables   | 13.24               | 16.74               |
|           | Income Tax Refund   | 0.74                | 0.74                |
|           | B2B Employees Gratuity Trust  | 11.43               | 25.61               |
|           | TCS Receivable  | -                   | 0.18                |
|           |   | <b>76.18</b>        | <b>85.94</b>        |
| <b>18</b> | <b>Equity Share Capital</b>   |                     |                     |
|           | <b>(i) Share Capital</b>  |                     |                     |
|           | <b>Authorised Capital :</b>   |                     |                     |
|           | 1,20,00,000 (31st March 2023 : 1,20,00,000) Equity Shares of Rs.10 each             | 1,200               | 1,200               |
|           | <b>Issued, Subscribed and Paid up Capital :</b>                                     |                     |                     |
|           | 11,585,400 (31st March 2023 : 11,585,400) Equity Shares of Rs.10 each fully paid up | 1,158.54            | 1,158.54            |
|           | Add : Shares Forfeited (Paid up value Rs.77000/-)                                   | 0.77                | 0.77                |
|           |   | <b>1,159.31</b>     | <b>1,159.31</b>     |
|           | <b>Notes:</b>   |                     |                     |
|           | <b>a) Details of Share Holders having more than 5% of Shares</b>                    | <b>No of Shares</b> | <b>No of Shares</b> |
|           | 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   | 9,54,808            | 10,85,270           |
|           | ( % of holding )  | 8.24%               | 9%                  |
|           | ( % of change in holding )  | -13.66%             | 9%                  |
|           | 5.Penmetsa Satyavati Varma  | 6,62,400            | 6,62,400            |
|           | ( % of holding )  | 6%                  | 6%                  |

|           |  |                    |                    |
|-----------|--|--------------------|--------------------|
|           | 6.B2B ESOP Trust<br>( % of holding )   | 6,00,000<br>5%     | 6,00,000<br>5%     |
|           | <b>b) Reconciliation of number of Shares outstanding</b>   |                    |                    |
|           | 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<br>(Refer to Note no 46 for Shareholding Pattern of Promoters and Promoter Group as on March 31, 2024) | <b>1,15,85,400</b> | <b>1,15,85,400</b> |
| <b>19</b> | <b>Deferred Tax Liabilites (Net)</b>   |                    | -                  |
|           | Deferred Tax Liabilites (Net)  | 16.39              | -                  |
|           |  | <b>16.39</b>       | -                  |
| <b>20</b> | <b>Long Term Provisions</b>  |                    |                    |
|           | Provision for Gratuity Payable   | -                  | -                  |
|           |  | -                  | -                  |
| <b>21</b> | <b>Trade Payables</b><br><i>(Unsecured and considered good)</i>  |                    |                    |
|           | Dues to micro and small enterprises  | -                  | -                  |
|           | Dues to other than micro and small enterprises   | 25.92              | 6.20               |
|           |  | <b>25.92</b>       | <b>6.20</b>        |
| <b>22</b> | <b>Other Financial Liabilities</b>   |                    |                    |
|           | <b>Current</b><br><i>(Unsecured and considered good)</i><br><i>(Carried at Cost)</i>   |                    |                    |
|           | Advances received from Customers   | 11.32              | 7.21               |
|           |  | <b>11.32</b>       | <b>7.21</b>        |
| <b>23</b> | <b>Other Current Liabilities</b>   |                    |                    |
|           | Outstanding expenses   | 120.76             | 86.49              |
|           | Statutory liabilities  | 41.58              | 31.67              |
|           | Security Deposit   | 45.54              | 38.20              |
|           |  | <b>207.87</b>      | <b>156.36</b>      |
| <b>24</b> | <b>Short term Provisions</b>   |                    |                    |
|           | Provision for Gratuity Payable   | -                  | -                  |
|           |  | -                  | -                  |
| <b>25</b> | <b>Current tax liabilities (Net)</b>   |                    |                    |
|           | Provision for Income tax   | 18.93              | 17.40              |
|           |  | <b>18.93</b>       | <b>17.40</b>       |
| <b>26</b> | <b>Revenue from operations</b>   |                    |                    |
|           | <b>Export Income</b>   |                    |                    |
|           | Sale of Software Products  | -                  | -                  |
|           | Income from Consultancy Services   | 1,302.32           | 1,318.39           |
|           | <b>Domestic Income</b>   |                    |                    |
|           | Sale of Software Products  | 333.61             | 331.66             |
|           | Income from Consultancy Services   | 396.35             | 327.32             |
|           |  | <b>2,032.28</b>    | <b>1,977.38</b>    |
| <b>27</b> | <b>Other Income</b>  |                    |                    |
|           | Dividend from Mutual Fund  | 97.65              | 61.37              |
|           | Unrealised Gain /(Loss)_Investments  | 11.53              | -0.82              |
|           | Gain/(Loss) on Investments   | 11.21              | 1.37               |
|           | Interest on Deposits   | 8.99               | 6.68               |
|           | Other Income   | 2.05               | 0.78               |
|           | Interest on TDS Refund   | 1.12               | 0.33               |
|           | Dividend on Investment Trade   | 1.59               | 1.51               |
|           | Exchange Fluctuation Gain/ (Loss)  | -                  | 0.06               |
|           | Reversal of Bad Debts  | -                  | 0.23               |
|           | Profit on Sale of Fixed Assets   | -                  | 3.44               |
|           |  | <b>134.14</b>      | <b>74.95</b>       |
| <b>28</b> | <b>Purchases of Software Products</b>  |                    |                    |
|           | Software Products  | 324.85             | 326.59             |
|           |  | <b>324.85</b>      | <b>326.59</b>      |



**Notes forming part of Statement of profit and loss for the year ended March 31, 2023**

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

| Particulars |   | AS AT           |                 |
|-------------|---|-----------------|-----------------|
|             |   | March 31, 2024  | March 31, 2023  |
| <b>29</b>   | <b>Employee benefit expenses</b>                        |                 |                 |
|             | *Salaries   | 1,143.52        | 1,050.86        |
|             | Contribution to Provident Fund and other Funds          | 34.09           | 26.18           |
|             | Product Incentives                                      | -               | -               |
|             | Staff Welfare Expenses                                  | 5.37            | 7.73            |
|             | Certification fee                                       | 0.09            | 0.06            |
|             | Stipend   | 3.85            | 3.42            |
|             | Managerial Remuneration CEO & CFO                       | 48.00           | 48.00           |
|             |   | <b>1,234.91</b> | <b>1,136.26</b> |
|             | <i>* Includes Director Remuneration</i>                 | <i>51.07</i>    | <i>53.08</i>    |
| <b>30</b>   | <b>Administrative and other Expenses</b>                |                 |                 |
|             | Rent  | 192.49          | 183.35          |
|             | Rates and Taxes   | 11.15           | 10.50           |
|             | Insurance   | 26.99           | 26.37           |
|             | Travelling Expenses                                     | 29.68           | 12.39           |
|             | <b>Communication Expenses</b>                           | -               | -               |
|             | - Internet Charges                                      | 3.05            | 4.18            |
|             | - Telephone   | 0.26            | 0.24            |
|             | - Postage & Courier                                     | 0.01            | 0.01            |
|             | Printing and Stationery                                 | 0.14            | 0.16            |
|             | Electricity Charges                                     | 4.45            | 3.85            |
|             | Advertisement   | 0.97            | 0.95            |
|             | Exchange Fluctuation (Gain)/Loss                        | 2.81            | -               |
|             | <b>Repairs and Maintenance</b>                          | -               | -               |
|             | - Machinery   | 1.14            | 1.54            |
|             | - Vehicles  | 2.81            | 3.25            |
|             | Professional and Consultancy Charges                    | 64.21           | 45.44           |
|             | <b>Auditor's Remuneration</b>                           |                 |                 |
|             | - Statutory Audit Fees                                  | 0.80            | 0.80            |
|             | - Internal Audit Fees                                   | 1.00            | 1.00            |
|             | - Tax Audit Fees  | -               | -               |
|             | - Other Services  | -               | -               |
|             | Directors Sitting Fee                                   | 1.50            | 1.60            |
|             | Bad Debts   | -               | -               |
|             | Membership Fee, Meeting & Seminar Charges               | 2.90            | 2.42            |
|             | Security Charges  | 2.70            | 2.52            |
|             | Office Maintenance                                      | 1.96            | 5.44            |
|             | Other Expenses  | 3.21            | 7.00            |
|             |   | <b>354.23</b>   | <b>313.01</b>   |
| <b>31</b>   | <b>Other Comprehensive Income</b>                       |                 |                 |
|             | Items that will not be reclassified to Profit or (Loss) |                 |                 |
|             | Actuarial gain/(loss) -Gratuity                         | (0.59)          | (11.05)         |
|             |   | <b>(0.59)</b>   | <b>(11.05)</b>  |

**32 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 2024 | 31 March 2023 |
| Trade Receivables | 84.38         | 57.53         |
|                   | 1.01          | 0.70          |

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 2024 | Closing exchange rate | Effect of 5% strengthening of US \$ on net earnings | Effect of 5% strengthening of US \$ on total equity |
|-----------------|-----------------------|---|---|
| Indian Rupee    | 83.37                 | 84.38   | 84.38   |

| 31st March 2023 | Closing exchange rate | Effect of 5% strengthening of US \$ on net earnings | Effect of 5% strengthening of US \$ on total equity |
|-----------------|-----------------------|---|---|
| Indian Rupee    | 82.22                 | 57.53   | 57.53   |

**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 2024        | 31 March 2023 |
| Investment in Subsidiary (Non-Current) |                      |               |
| Current Investments                    | 1,387.74             | 1,309.76      |
| Trade receivables                      | 186.23               | 120.46        |
| Short term deposits with banks         | 285.86               | 158.96        |
| Loans                                  | 62.03                | 62.09         |

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 2023:

|                           | <b>Current</b>          | <b>Non-Current</b> |                           | <b>Total</b>  |
|---------------------------|-------------------------|--------------------|---------------------------|---------------|
|                           | <b>Within 12 months</b> | <b>1-5 years</b>   | <b>Later than 5 years</b> |               |
| Trade and Other Payables  | 25.92                   | -                  | -                         | 25.92         |
| Other Current Liabilities | 207.87                  | -                  | -                         | 207.87        |
| <b>Total</b>              | <b>233.79</b>           | <b>-</b>           | <b>-</b>                  | <b>233.79</b> |

The following is an analysis of the Company contractual undiscounted cash flows payable under financial liabilities at 31 March 2022

|                           | <b>Current</b>          | <b>Non-Current</b> |                           | <b>Total</b>  |
|---------------------------|-------------------------|--------------------|---------------------------|---------------|
|                           | <b>Within 12 months</b> | <b>1-5 years</b>   | <b>Later than 5 years</b> |               |
| Trade and Other Payables  | 6.20                    | -                  | -                         | 6.20          |
| Other Current Liabilities | 156.36                  | -                  | -                         | 156.36        |
| <b>Total</b>              | <b>162.56</b>           | <b>-</b>           | <b>-</b>                  | <b>162.56</b> |

**33 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:

|  | <b>Carrying amount</b> | <b>Fair value</b>    | <b>Carrying amount</b> | <b>Fair value</b>    |
|--|------------------------|----------------------|------------------------|----------------------|
|  | <b>31 March 2024</b>   | <b>31 March 2024</b> | <b>31 March 2023</b>   | <b>31 March 2023</b> |
| <b>Non- current financial assets</b>           |                        |                      |                        |                      |
| Investment in subsidiary, at cost              | -                      | -                    | -                      | -                    |
| Loans  | 60.00                  | 60.00                | 60.00                  | 60.00                |
| <b>Total Non-Current</b>                       | <b>60.00</b>           | <b>60.00</b>         | <b>60.00</b>           | <b>60.00</b>         |
| <b>Current financial assets</b>                |                        |                      |                        |                      |
| Current Investments - Liquid Mutual Fund Units | 1,387.74               | 1,387.74             | 1,309.76               | 1,309.76             |
| Trade Receivables                              | 186.23                 | 186.23               | 120.46                 | 120.46               |
| Cash and Cash Equivalents                      | 231.04                 | 231.04               | 198.59                 | 198.59               |
| Bank Balances other than above                 | 285.86                 | 285.86               | 158.96                 | 158.96               |
| Loans  | 2.03                   | 2.03                 | 2.09                   | 2.09                 |
| Other Financial Assets                         | 0.38                   | 0.38                 | 3.03                   | 3.03                 |
| <b>Total Current</b>                           | <b>2,093.29</b>        | <b>2,093.29</b>      | <b>1,792.89</b>        | <b>1,792.89</b>      |
| <b>Total</b>                                   | <b>2,153.29</b>        | <b>2,153.29</b>      | <b>1,852.89</b>        | <b>1,852.89</b>      |

|  |              |              |              |              |
|--|--------------|--------------|--------------|--------------|
| <b>Non-current Financial Liabilities</b> |              |              |              |              |
| <b>Total Non-current</b>                 | -            | -            | -            | -            |
| <b>Current Financial Liabilities</b>     |              |              |              |              |
| Trade Payables                           | 25.92        | 25.92        | 6.20         | 6.20         |
| Other Financial Liabilities              | 11.32        | 11.32        | 7.21         | 7.21         |
| <b>Total Current</b>                     | <b>37.25</b> | <b>37.25</b> | <b>13.41</b> | <b>13.41</b> |
| <b>Total</b>                             | <b>37.25</b> | <b>37.25</b> | <b>13.41</b> | <b>13.41</b> |

### Capital management

Capital includes equity attributable to the equity holders of the parent and debt.

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value objectives include, among others:

- Ensure Company's ability to meet both its long-term and short-term capital needs as a going concern;
- Constantly evolve multiple funding alternatives – equity and / or preference capital, non convertible debentures, corporate loan facilities to arrive at an optimal capital mix;

No changes were made in the objectives, policies or processes during the year ended March 31, 2024 and March 31, 2023.

The Company maintains a mixture of cash and cash equivalents that are designed to ensure the Company has sufficient available funds for business requirements.

The Company does not have any short term or long term outstanding debts and hence the Debt to Equity Ratio is zero as at March 31, 2024 and March 31, 2023.

### 34 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 2024                                       | Level I         | Level II | Level III | Total           |
|---|-----------------|----------|-----------|-----------------|
| <b>Financial assets measured at fair value</b>      |                 |          |           |                 |
| Current Investments - Liquid Mutual Fund Units      | 1,387.74        | -        | -         | <b>1,387.74</b> |
| <b>Total</b>  | <b>1,387.74</b> | -        | -         | <b>1,387.74</b> |
| <b>Financial liabilities measured at fair value</b> |                 |          |           |                 |
| <b>Total</b>  | -               | -        | -         | -               |

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 2023, there were no transfers between Level I, Level II and Level III fair value measurements.

| 31 March 2023                                       | Level I         | Level II | Level III | Total           |
|---|-----------------|----------|-----------|-----------------|
| <b>Financial assets measured at fair value</b>      |                 |          |           |                 |
| Current Investments - Liquid Mutual Fund Units      | 1,309.76        | -        | -         | <b>1,309.76</b> |
| <b>Total</b>  | <b>1,309.76</b> | -        | -         | <b>1,309.76</b> |
| <b>Financial liabilities measured at fair value</b> |                 |          |           |                 |
| <b>Total</b>  | -               | -        | -         | -               |

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 2022, there were no transfers between Level I, Level II and Level III fair value measurements.

### 35 Capital commitments and Contingent liabilities and Contingent Assets

There are no Capital commitments, Contingent Liabilities and Contingent Assets as on 31st March, 2023 (previous Year NIL)

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

| <u>Particulars</u> | <u>March 31, 2024</u> | <u>March 31, 2023</u> |
|--------------------|-----------------------|-----------------------|
| Software Services  | 624.66                | 698.38                |

### 37 Expenditure in Foreign Currency (on payment basis)

| <u>Particulars</u>      | <u>March 31, 2024</u> | <u>March 31, 2023</u> |
|-------------------------|-----------------------|-----------------------|
| Foreign-Travelling Exps | 7.95                  | -                     |

### 38 Disclosure is made as per the requirement of the Indian Accounting Standard 24 on related Party Transactions during the Year:

#### i) List of Related Parties

##### a) Parties where control exist

| <b>Name of the party</b> | <b>Relation</b>    |
|--------------------------|--------------------|
| B2B Softech Inc.         | Subsidiary Company |

##### b) Key Managerial Person (KMP)

| <b>Name of the party</b>       | <b>Relation</b>    |
|--------------------------------|--------------------|
| Dr. Ram Nemani                 | CEO & Director     |
| Mr. Bala Subramanyam Vanapalli | Executive Director |
| Sunil Nemani                   | CFO                |

##### c) Directors

|                        |  |
|------------------------|--|
| Yaramati Satyanarayana | Promoter and Non-Executive Director        |
| Ram Babu Mutyala       | Non-Promoter and Executive Director        |
| Arumilli Rambabu       | Non-Promoter and Independent Director      |
| Suresh Chode           | Non-Promoter and Non Independent Director  |
| Rajeswari Immani       | Non-Promoter and Independent WomanDirector |

##### d) Parties where key managerial person has significant influence

| <b>Name of the party</b> | <b>KMP</b>    | <b>Relation of KMP</b> |
|--------------------------|---------------|------------------------|
| Genious Doc Inc          | Dr.Ram Nemani | Director               |

#### ii) Transactions during the year

| <u>Name of the Related party</u>         | <u>March 31, 2024</u> | <u>March 31, 2023</u> |       |
|--|-----------------------|-----------------------|-------|
| <b>(a) With Genius Doc Inc</b>           |                       |                       |       |
| Export of Software Services              | 363.96                | 321.51                |       |
| <b>(b) With Key Management Personnel</b> |                       |                       |       |
| Remuneration to V Bala Subramaniyam      | Executive Director    | 51.07                 | 53.08 |
| Remuneration to Dr Ram Nemani            | CEO & Director        | 36.00                 | 36.00 |
| Remuneration to Sunil Nemani             | CFO                   | 12.00                 | 12.00 |

|                                    |                   |      |      |
|------------------------------------|-------------------|------|------|
| Remuneration to CS Prabhat Bhamini | Company Secretary | 3.78 | 1.12 |
| Remuneration to CS Jyothi Mantri   | Company Secretary | -    | 2.21 |

**iii) Balances Outstanding at the Year End**

| <u>Name of the Related party</u>         | <u>March 31, 2024</u> | <u>March 31, 2023</u> |
|--|-----------------------|-----------------------|
| <b>(a) With Genius Doc Inc</b>           |                       |                       |
| Receivables                              | 61.21                 | 55.87                 |
| <b>(b) With Key Management Personnel</b> |                       |                       |
| Managerial Remuneration                  | 10.82                 | 6.79                  |

**39 Earning/(loss) Per Share as per Ind-AS 33:**

The Computation of EPS as per Ind-AS 33 is set out below:

|  | <u>March 31, 2024</u> | <u>March 31, 2023</u> |
|--|-----------------------|-----------------------|
| Earnings   |                       |                       |
| Profit/ (Loss) after Tax for the period                        | <b>184.50</b>         | <b>238.27</b>         |
|  | -                     | -                     |
| Weighted Average number of equity shares for Basic EPS (Nos)   | 115.85                | 115.85                |
| Add : Potential Equity shares (if any)                         | -                     | -                     |
| Weighted Average number of equity shares for Diluted EPS (Nos) | 115.85                | 115.85                |
| Face value per share (Rs.)                                     | 10                    | 10                    |
| Basic and diluted Earning Per Share                            | <b>1.59</b>           | <b>2.06</b>           |

**40 Investment in Mutual Funds**

|                 | <u>March 31, 2024</u> | <u>March 31, 2023</u> |
|-----------------|-----------------------|-----------------------|
|                 | <b>Amount</b>         | <b>Amount</b>         |
| Opening Balance | 1,239.07              | 1,115.90              |
| Add: Purchases  | 104.45                | 124.77                |
| Less: Sales     | -                     | (1.60)                |
| Closing Balance | 1,343.52              | 1,239.07              |

\* Net Asset Value as on 31.03.2024 is Rs 134,351,913/-

**41** 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 dimunition in the value of investment.

**42** 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 dimunition in the value of investment to the extent of 100% of the carrying amount.

**43** The Group is primarily engaged in Information Technology and related services. There is one geographical 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 |                 |
|--|--------------------|-----------------|
|  | March 31, 2024     | March 31, 2023  |
|  | Audited            | Audited         |
| <b>Segment Revenue</b>   |                    |                 |
| a) India   | 1392.32            | 1340.07         |
| b) USA   | 639.96             | 637.31          |
| <b>Total</b>   | <b>2032.28</b>     | <b>1977.38</b>  |
| Less : Inter segment revenues                                      | -                  | -               |
| <b>Net Segment Revenue</b>   | <b>2,032.28</b>    | <b>1,977.38</b> |
| <b>Segment Results before tax and interest</b>                     |                    |                 |
| a) India   | 93.34              | 182.38          |
| b) USA   | 12.05              | 11.22           |
| c) Other Income  | 134.14             | 74.95           |
| <b>Total</b>   | <b>239.52</b>      | <b>268.55</b>   |
| Less : Interest Expenses   | -                  | -               |
| Less : Other un-allocable expenditure net off un-allocable income. | -                  | -               |
| <b>Total Profit/(Loss) Before Tax</b>                              | <b>239.52</b>      | <b>268.55</b>   |

| Particulars        | For the Year Ended |                 |
|--------------------|--------------------|-----------------|
|                    | March 31, 2024     | March 31, 2023  |
|                    | Audited            | Audited         |
| <b>Assets</b>      |                    |                 |
| 1. India           | 2,166.29           | 1,890.94        |
| 2. USA             | 116.27             | 102.70          |
| <b>Total</b>       | <b>2,282.56</b>    | <b>1,993.64</b> |
| <b>Liabilities</b> |                    |                 |
| 1. India           | 2,166.29           | 1,890.94        |
| 2. USA             | 116.27             | 102.70          |
| <b>Total</b>       | <b>2,282.56</b>    | <b>1,993.64</b> |

44 Deferred tax asset/liability is determined and accounted as per Ind-AS 12 issued by ICAI.

The Tax reconciliation is as follows:

| Particulars                                | March 31, 2024 | March 31, 2023 |
|--|----------------|----------------|
| Accounting profit                          | 239.52         | 268.55         |
| Effective tax rates(%)                     | 0.00           | 0.00           |
| <b>Tax on Profit at effective rates</b>    | <b>60.28</b>   | <b>67.59</b>   |
| Earlier year taxes                         | -2.44          | -8.71          |
| Expenditure not deductible for tax purpose | 30.08          | 19.43          |
| Expenditure deductible for tax purpose     | 16.01          | 42.08          |
| Others                                     | 121.15         | 169.88         |
| Effective tax rates(%)                     | 0.00           | 0.00           |
| <b>Tax on Profit at effective rate (A)</b> | <b>30.49</b>   | <b>42.75</b>   |

|   |              |              |
|---|--------------|--------------|
| Income Chargeable to tax on Special rates | -            | -            |
| Short Term Capital Gain                   | 4.64         | -            |
| Effective tax rate on above(%)            | 0.00         | 0.00         |
| <b>Tax on above at effective rate (B)</b> | <b>0.80</b>  | -            |
| Long Term Capital Gain                    | 6.57         | -            |
| Effective tax rate on above(%)            | 0.00         | 0.00         |
| <b>Tax on above at effective rate (C)</b> | <b>0.64</b>  | -            |
| <b>Total Tax on Profit (A+B+C)</b>        | <b>31.93</b> | <b>42.75</b> |

#### 45 Employee Benefits

Disclosure as required by Ind-AS 19 'Employee Benefits' is as below:

| <b>Particulars</b>   | <b>March 31, 2024</b> | <b>March 31, 2023</b> |
|--|-----------------------|-----------------------|
| <b>1 Changes in Present Value of Obligation</b>              |                       |                       |
| Present value of obligation as at the beginning of the year  | 134.18                | 121.81                |
| Interest Cost  | 9.66                  | 7.19                  |
| Current service cost   | 14.55                 | 11.38                 |
| Actuarial gain/(loss) on obligations                         | (1.58)                | 2.75                  |
| Benefits paid  | (6.54)                | (8.96)                |
| Present value of obligations at the end of the year          | <b>150.28</b>         | <b>134.18</b>         |
| <b>2 Changes in Fair Value of Plan Assets</b>                |                       |                       |
| Fair value of plan assets at the beginning of the year       | 148.92                | 116.26                |
| Acquisition adjustments                                      | -                     | 1.62                  |
| Expected return on plan assets                               | 10.75                 | 8.31                  |
| Contributions  | -                     | 40.00                 |
| Benefits Paid  | (6.54)                | (8.96)                |
| Actuarial gain/(loss) on plan assets                         | (2.17)                | (8.31)                |
| Fair value of plan assets at the end of the year             | <b>150.96</b>         | <b>148.92</b>         |
| <b>3</b>   |                       |                       |
| <b>Liability Recognised in Balance Sheet</b>                 |                       |                       |
| Present value of obligation as at the end of the year        | 150.28                | 134.18                |
| Fair value of plan assets at the end of the year             | -                     | -                     |
| Funded Status  | 150.28                | 134.18                |
| <b>4 Net asset/(liability) recognised in balance sheet</b>   | <b>150.28</b>         | <b>134.18</b>         |
| <b>Bifurcation of Net Liability</b>                          |                       |                       |
| Current Liability (Short-term)                               | 5.22                  | 4.51                  |
| Non - Current Liability (Long-term)                          | 145.06                | 129.67                |
| <b>5 Net Liability</b>                                       | <b>150.28</b>         | <b>134.18</b>         |
| <b>Expenses Recognised in Statement of Profit &amp; Loss</b> |                       |                       |
| Current service cost   | 14.55                 | 11.38                 |
| Past Service Cost  | -                     | -                     |
| Interest Cost  | 9.66                  | 7.19                  |
| Expected Return on plan assets                               | (10.75)               | (8.31)                |



|   |               |               |
|---|---------------|---------------|
| Expenses recognised in the Income Statement   | <b>13.47</b>  | <b>10.27</b>  |
| <b>Other Comprehensive Income</b>   |               |               |
| Actuarial gain/(loss) on Obligations - Change in Demographic assumptions                      | -             | -             |
| Actuarial gain/(loss) on Obligations - Change in Financial assumptions                        | -             | -             |
| Actuarial gain/(loss) on Obligations - Experience variance (Actual experience vs assumptions) | (1.58)        | 2.75          |
| <b>Total Actuarial gain/ (loss) on obligations</b>  | <b>(1.58)</b> | <b>2.75</b>   |
| <b>Actuarial gain/ (loss) on Plan assets</b>  | <b>(2.17)</b> | <b>(8.31)</b> |
| <b>Total Other Comprehensive Income</b>   | <b>0.59</b>   | <b>11.05</b>  |
| <b>Assumptions</b>  |               |               |
| Discount  | 7.10%         | 7.38%         |
| Escalation  | 7%            | 7%            |

**46** The details of the shares held by promoters as at March 31, 2023 are as follows:

| Sl.No.           | Name of Promoter              | No of Shares held | % of Total Shares | % change during the year |
|------------------|-------------------------------|-------------------|-------------------|--------------------------|
| <b>Promoters</b> |                               |                   |                   |                          |
| 1                | Samantha Reddy                | 15,900            | 0.14              |                          |
| 2                | Srinivas Reddy Parvatha Reddy | 2,12,410          | 1.83              |                          |
| 3                | P Leelavathi                  | 2,510             | 0.02              |                          |
| 4                | R Subbarami Reddy             | 2,010             | 0.02              |                          |
| 5                | J Madan Mohan Reddy           | 10                | -                 |                          |
| 6                | J Vasantha Reddy              | 69,954            | 0.60              |                          |
| 7                | N Chinnappa Reddy             | 10                | -                 |                          |
| 8                | Arun Raj                      | 10                | -                 |                          |
| 9                | Ravileela Granites Limited    | 15,11,000         | 13.04             |                          |
| 10               | Ramachandra Rao Nemani        | 24,58,760         | 21.22             |                          |

|                       |                       |          |      |        |
|-----------------------|-----------------------|----------|------|--------|
| <b>Promoter Group</b> |                       |          |      |        |
| 1                     | Neelam Jayanth Reddy  | 7,900    | 0.07 |        |
| 2                     | Harshini              | 18,000   | 0.16 |        |
| 3                     | Dr K Lahiri           | 600      | 0.01 |        |
| 4                     | N Lavanya Reddy       | 2,500    | 0.02 |        |
| 5                     | S Ramesh              | 2,000    | 0.02 |        |
| 6                     | L Pratap Reddy        | 1,000    | 0.01 |        |
| 7                     | Janakirama Varma Meka | 9,54,808 | 8.24 | -12.02 |
| 8                     | Sharmila Nemani       | 4,96,700 | 4.29 |        |
| 9                     | Sunil Nemani          | 3,73,600 | 3.22 |        |
| 10                    | Vinitha P Varma       | 2,50,300 | 2.16 |        |

|    |   |                  |              |      |
|----|---|------------------|--------------|------|
| 11 | Prathima Nemani                           | 2,33,400         | 2.01         |      |
| 12 | Chandralekha Meka                         | 0                | -            | -100 |
| 13 | Krothapalli Anjaneyulu                    | 5,022            | 0.04         |      |
| 14 | Krishna Varma Meka                        | 0                | -            | -100 |
| 15 | Ram Nemani Def. Ben. Pension Plan Trust   | 10,87,600        | 9.39         |      |
| 16 | Varma J Meka Def. Ben. Pension Plan Trust | 2,03,300         | 1.75         |      |
|    | <b>Total</b>                              | <b>79,09,304</b> | <b>68.26</b> |      |

The percentage shareholding above has been computed considering the outstanding number of shares of 11,585,400 as at March 31, 2023

#### 47. Trade Payables - Ageing Analysis

| Particulars            | March 31, 2024   |           |           |                   |       |
|------------------------|--|-----------|-----------|-------------------|-------|
|                        | Outstanding for following periods from due date of payment |           |           |                   |       |
|                        | Less than 1 year   | 1-2 years | 2-3 years | More than 3 Years | Total |
| MSME                   | -  | -         | -         | -                 | -     |
| Others                 | 25.92  |           |           |                   | 25.92 |
| Disputed Dues – MSME   | -  | -         | -         | -                 | -     |
| Disputed Dues – Others | -  | -         | -         | -                 | -     |

| Particulars            | March 31, 2023   |           |           |                   |       |
|------------------------|--|-----------|-----------|-------------------|-------|
|                        | Outstanding for following periods from due date of payment |           |           |                   |       |
|                        | Less than 1 year   | 1-2 years | 2-3 years | More than 3 Years | Total |
| MSME                   | -  | -         | -         | -                 | -     |
| Others                 | 6.20   |           |           |                   | 6.20  |
| Disputed Dues – MSME   | -  | -         | -         | -                 | -     |
| Disputed Dues – Others | -  | -         | -         | -                 | -     |

#### 48 Trade Receivables - Ageing Analysis

#### 48. Trade Receivables - Ageing Analysis

| Particulars  | March 31, 2024   |           |           |                   |        |
|--|--|-----------|-----------|-------------------|--------|
|  | Outstanding for following periods from due date of payment |           |           |                   |        |
|  | Less than 1 year   | 1-2 years | 2-3 years | More than 3 Years | Total  |
| Undisputed Trade Receivables – considered good     | 186.03   | 0.20      | -         | -                 | 186.23 |
| Undisputed Trade Receivables – considered doubtful | -  | -         | -         | -                 | -      |
| Disputed Trade Receivables – considered good       | -  | -         | -         | -                 | -      |
| Disputed Trade Receivables – considered doubtful   | -  | -         | -         | -                 | -      |

| Particulars  | March 31, 2023   |           |           |                   |        |
|--|--|-----------|-----------|-------------------|--------|
|  | Outstanding for following periods from due date of payment |           |           |                   |        |
|  | Less than 1 year   | 1-2 years | 2-3 years | More than 3 Years | Total  |
| Undisputed Trade Receivables – considered good     | 120.46   | -         | -         | -                 | 120.46 |
| Undisputed Trade Receivables – considered doubtful |  | -         |           |                   | -      |
| Disputed Trade Receivables – considered good       | -  | -         | -         | -                 | -      |
| Disputed Trade Receivables – considered doubtful   | -  | -         | -         | -                 | -      |

#### 49 Financial Ratios

| Particulars                      | Formula   | March 31, 2024 | March 31, 2023 | Change in % | Reasons if change > 25%                                     |
|----------------------------------|---|----------------|----------------|-------------|---|
| Current Ratio                    | Current assets/Current Liabilities                          | 8.27           | 10.10          | -18%        |   |
| Debt-Equity Ratio                | NA  | -              | -              | 0%          |   |
| Debt Service Coverage Ratio      | NA  | -              | -              | 0%          |   |
| Return on Equity Ratio           | Profit for the period/Average Shareholder's Equity          | 0.10           | 0.14           | -31%        | Due to decrease in Profit after taxes compared to last year |
| Inventory turnover ratio         | Cost of Goods Sold/Average inventory                        | 24.59          | 33.37          | -26%        | Due to increase in Closing Average Inventory                |
| Trade Receivables turnover ratio | Credit sales/Average Trade receivables (Gross)              | 13.25          | 14.49          | -9%         |   |
| Trade payables turnover ratio    | Credit Purchases/Average Trade Payables                     | 20.22          | 25.43          | -20%        |   |
| Net capital turnover ratio       | Revenue from operations/ Net Working Capital                | 1.06           | 1.16           | -9%         |   |
| Net profit ratio                 | Profit for the period/Revenue from operations               | 9%             | 12%            | -25%        |   |
| Return on Capital employed       | EBIT/capital employed                                       | 12%            | 15%            | -19%        |   |
| Return on investment             | Income generated from invested funds/average funds invested | 7%             | 5%             | 39%         | Due to increase in Income generated from invested funds     |

**50** The provisions of Section 135 of the Companies Act, 2013 is not applicable to the company. Hence, the company has not incurred any amount towards Corporate Social Responsibility during the current year or previous year.

#### 51 Other Disclosure Requirement in Schedule III

- The company does not have any transaction with the companies struck off under section 248 of the Companies Act 2013 or section 560 of the Companies Act 1956 during the year ended March 31, 2024 and March 31, 2023.
- There are no charges or satisfaction which are to be registered with the Registrar of Companies during the year ended March 31, 2024 and March 31, 2023.
- The company complies with the number of layers of companies in accordance with clause 87 of Section 2 of the Act read with the Companies (Restriction on number of layers) rules 2017 during the year ended March 31, 2024 and March 31, 2023.

- d) The company has not invested or traded in cryptocurrency or virtual currency during the year ended March 31, 2024 and March 31, 2023.
- e) No proceedings have been initiated on or are pending against the company for holding Benami property under the Prohibition of Benami Property Transaction Act 1988 (as amended in 2016) (formally the Benami Transactions (Prohibition) Act 1988 (45 of 1988) and Rules made thereunder during the year ended March 31, 2024 and March 31, 2023.
- f) The Company is not declared as willful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof or other lender in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India.
- g) The company has not entered into any scheme of arrangement approved by the competent authority in terms of sections 232 to 237 of the Companies Act 2013 during the year ended March 31, 2024 and March 31, 2023.
- h) During the year ended March 31, 2024 and March 31, 2023, the company has not surrendered or disclosed as income any transactions not recorded in the books of accounts in the course of tax assessments under the Income Tax Act, 1961 (such as search or survey or any other relevant provisions of the Income Tax Act 1961).
- i) During the year ended March 31, 2024 and March 31, 2023, the company has not advanced or loaned or invested funds (either borrowed funds or the share premium or kind of funds) to any other person or entities, including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the intermediary shall:
1. Directly or Indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or
  2. Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- j) During the year ended March 31, 2024 and March 31, 2023, the company has not received any funds from any persons or entities including foreign entities (Funding party) with the understanding (whether recorded in writing or otherwise) that the company shall:
1. Directly or Indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or
  2. Provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
- k) The Company does not have any immovable properties included under Property, Plant & Equipments.
- l) The Company does not have any Investment Property and intangible assets under development.

## 52 Subsequent events

No significant subsequent events have been observed till date of approval of Financials which may require any additional disclosure or an adjustment to the financial statements."

## 53 Interest in other entities

Additional information, as required under schedule III of the Companies Act, 2013, as required for enterprise considered as subsidiary

Summary of net assets and profits

Summary of net assets and profits

### Net Assets

| Name the entity           | As at March 31, 2024 |                 |
|---------------------------|----------------------|-----------------|
|                           | %                    | Amount          |
| A. Holding Company        | 94%                  | 1,885.86        |
| B. Subsidiary             |                      | -               |
| B2B Softech Inc.          | 6%                   | 116.27          |
| <b>Total</b>              | <b>100%</b>          | <b>2,002.13</b> |
| Consolidation adjustments | 0%                   | -               |
| <b>Net Amount</b>         | <b>100%</b>          | <b>2,002.13</b> |

### Share of Profit/(Loss)

| Name the entity | As at March 31, 2024 |        |
|-----------------|----------------------|--------|
|                 | %                    | Amount |

|                           |             |               |
|---------------------------|-------------|---------------|
| A. Holding Company        | 93%         | 172.45        |
| B. Subsidiary             |             | -             |
| B2B Softech Inc.          | 7%          | 12.05         |
| <b>Total</b>              | <b>100%</b> | <b>184.50</b> |
| Consolidation adjustments | 0%          | -             |
| <b>Net Amount</b>         | <b>100%</b> | <b>184.50</b> |

**Share in other comprehensive loss**

| Name the entity           | As at March 31, 2024 |              |
|---------------------------|----------------------|--------------|
|                           | %                    | Amount       |
| A. Holding Company        | 100%                 | -0.59        |
| B. Subsidiary             |                      | -            |
| B2B Softech Inc.          | 0%                   | -            |
| <b>Total</b>              | <b>100%</b>          | <b>-0.59</b> |
| Consolidation adjustments | 0%                   | -            |
| <b>Net Amount</b>         | <b>100%</b>          | <b>-0.59</b> |

**Share in total comprehensive income**

| Name the entity           | As at March 31, 2024 |               |
|---------------------------|----------------------|---------------|
|                           | %                    | Amount        |
| A. Holding Company        | 93%                  | 171.86        |
| B. Subsidiary             |                      | -             |
| B2B Softech Inc.          | 7%                   | 12.05         |
| <b>Total</b>              | <b>100%</b>          | <b>183.91</b> |
| Consolidation adjustments | 0%                   | -             |
| <b>Net Amount</b>         | <b>100%</b>          | <b>183.91</b> |

54 Previous period figures have been regrouped/reclassified/rearranged, wherever necessary, to conform to those of the Current Period.

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 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 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-

- i. Name:
- ii. Date of Birth:
- iii. Father's / Mother's / Spouse's Name:
- iv. Occupation:
- v. Nationality:
- vi. Address:
- vii. Email id:
- viii. 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:

Signature:

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

Signature of Witness with Name and Address



## **B2B SOFTWARE**

TECHNOLOGIES LTD

PEOPLE . VALUES . TECHNOLOGIES

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