

Baron Infotech Limited



21st
ANNUAL REPORT
2017-18



Board of Directors

Sri. S.Pavan Nandan	:	Chairman & Whole Time Director
Sri D. Chandra Subash	:	Independent Director
Smt N.Kamala Kumari	:	Independent Director
Sri B.Vishnu Vardhan Reddy	:	Independent Director
Sri P.Srinivasa Rao	:	Independent Director

Auditors

M/s. NSVR & Associates LLP
(Formerly Known as a **M/s Nekkanti Srinivasu & Co.**
Chartered Accountants)
FLot No : 202, Plot : 28, Panchavati Co-op Society,
ROAD NO. : 10, BANJARA HILLS,
Hyderabad – 34.

Bankers

Axis Bank Ltd
Banjara Hills,
Hyderabad.

Registered Office

1-8-313, 4th Floor, Linus Building,
Chiran Fortlane, Begumpet,
Secunderabad

**Registrars &
Share Transfer Agents**

Venture Capital & Corporate Investments Ltd,
12-10-167, Bharatnagar
Hyderabad – 18.



NOTICE

Notice is hereby given that the 21st Annual General Meeting of the Company will be held on Saturday, the 29th September, 2018 at 9.30 AM at 504, Micasa Flora, Durga Enclave, Kompally, Secunderabad -14, to transact the following items of business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Financial Statements for the year ended 31st March, 2018 and Reports of the Directors and the Auditor's thereon.
2. To reappoint a director in place Mr.S.Pavan Nandan (DIN: 02187696) who retires by rotation and being eligible, offers himself for reappointment.

By order of the Board
for BARON INFOTECH LIMITED

Sd/-

S.PAVAN NANDAN
Whole Time Director
(DIN: 02187696)

Place : Hyderabad
Date : 14-08-2018

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER.
2. Proxy forms in order to be effective must be deposited at the registered office of the Company not less than 48 hours before the meeting.
3. The Share Transfer Register and the Register of Members of the Company will remain closed from 22-09-2018 to 29-09-2018 (both days inclusive).
4. M/s. Venture Capital And Corporate Investments Pvt Ltd., # 12-10-167, Bharat Nagar, Hyderabad-500 018, is the Share Transfer Agent (STA) of the Company. All communications in respect of share transfers and change in the address of the members may be communicated to them.
5. Members seeking any information or clarification on the accounts are requested to send queries in writing to the Registered Office of the Company, at least one week before the date of the meeting. Replies will be provided in respect of such written queries at the meeting.
6. Members/Proxies are requested to bring their copies of the Annual Report to the AGM and the Attendance slip duly filled in for attending AGM. Copies of Annual Report will not be provided at the AGM.
7. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
8. Members holding shares in identical order of names in more than one folio are requested to write to the Company's Registrar and Transfer Agent enclosing their share certificates to enable consolidation of their shareholdings in one folio.
9. Members holding shares in physical form may obtain the Nomination forms from the Company's Registrar & Share Transfer Agents and members holding shares in electronic form may obtain the Nomination form from their respective Depository Participants.
10. Members holding Shares in physical form may write to the Company/Registrar & Share Transfer Agents (RTA) for any change in their address and bank mandates; members having shares in electronic form may inform the same to their depository participants immediately.
11. As part of the "Green Initiative", the Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose e-mail IDs are registered with the Company or the Depository Participants unless the Members have registered their request for a hard copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those Members who have not registered their e-mail IDs with the Company or Depository Participant(s). Members who have received the Notice of the AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the registration counter to attend the AGM.

12. Instructions about Voting:

The Members are requested to opt for one mode of voting, i.e. either through e-voting or postal ballot. If a Member casts votes by both modes, then voting done through a valid e-Voting shall prevail and physical ballot form voting of that Member shall be treated as invalid. Please refer the following detailed instructions for both modes voting.

A) Voting through electronic means:

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is providing Members facility to exercise their right to vote at the Postal Ballot by electronic means through e-Voting Services provided by NSDL.

The instructions and other information for e-voting are as under:

1. Open the attached PDF file 'Baron_AR_17-18.pdf' with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password. You will not receive this PDF file if you are already registered with NSDL for e-voting.
2. Open the internet browser and type the following URL: <https://www.evoting.nSDL.com>
3. Click on Shareholder - Login.
4. If you are already registered with NSDL for e-voting then you can use your existing user ID and password.
5. If you are logging in for the first time, please enter the user ID and password provided in the attached PDF file as initial password.
6. The Password Change Menu will appear on your screen. Change to a new password of your choice, making sure that it contains a minimum of 8 digits or characters or a combination of both. Please take utmost care to keep your password confidential.
7. Once the e-voting home page opens, click on e-voting> Active Voting Cycles.
8. Select "EVEN" E-Voting Event Number of Baron Infotech Limited. Now you are ready for e-voting as Cast Vote page opens.
9. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
10. Upon confirmation, the message "Vote cast successfully" will be displayed.
11. Once the vote on the resolution is cast, the Member shall not be allowed to change it subsequently.



12. Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board Resolution/ Authority letter, etc., together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to psraoassociates@gmail.com, with a copy marked to evoting@nsdl.co.in.
13. The voting period begins on 26-09-2018 (09.00 AM) and ends on 28-09-2018 (5.00 PM). The e-voting module shall be disabled by NSDL for voting thereafter.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evoting.nsdl.com Write an email to mail : evoting@nsdl.co.in.

- I. The voting rights of shareholders shall be in proportion to the shares held by them in the paid up equity share capital of the Company as on 22-09-2018.
- II. Mrs.N.Vaniitha, Practicing Company Secretary (Certificate of Practice No:10573), has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

B) Other Instructions:

- I. Kindly note that the shareholders can opt only one mode of voting i.e either by e-voting or physical mode. If you are opting for e-voting, then cannot vote by physical mode and vice versa. However, in case shareholders cast their vote physically and e-voting, then voting done through e-voting will prevail and voting done physically will be treated as invalid.
- II. The Scrutinizer will collate the votes downloaded from the e-voting system to declare the final result for each of the Resolutions forming part of the Annual General Meeting Notice.
- III. The results of the voting shall be declared on or after the Annual General Meeting of the Company.

The Results declared, along with the Scrutinizer's Report, shall be placed on the Company's website www.baroninfotech.com and be communicated to the Stock Exchanges where the Company is listed, viz. BSE Ltd.

- IV. Members may address any query to Mr. Nageswar Rao, Compliance Officer at e-mail address: info@baroninfotech.com Website: www.baroninfotech.com

By order of the Board
for BARON INFOTECH LIMITED

Sd/-

S.PAVAN NANDAN
Whole Time Director
(DIN: 02187696)

Place : Hyderabad
Date : 14-08-2018

DIRECTORS' REPORT

Your Directors have pleasure in presenting herewith the 21st Annual Report on the business of Your Company together with the Audited Accounts for 12 months ended 31st March, 2018.

FINANCIAL PERFORMANCE:

The Company has been in the process of developing solutions. Some of applications have been given to customers to explore the marketing possibilities. On successful launch of any application generating revenues will start. Till then the spending on the applications is being treated as an expense.

DIVIDEND:

In the absence of profits, your directors of Company not recommend any dividend for the Financial Year 2017-18.

TRANSFER TO RESERVES:

In absence of profits, Company has not transferred any amount to the general reserve.

DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL:

Mr.S.Pavan Nandan (DIN: 02187696), Director will retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

The Board is duly constituted as required under the provisions of the Act.

STATEMENT OF DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SUB-SECTION (6) OF SECTION 149:

The Independent Directors have submitted the declaration of independence, as required under Section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as provided in Section 149(6) and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

NUMBER OF BOARD MEETINGS:

The Board met FOUR times during the year 2017-18.

The dates on which the Board meetings were held are 28.05.2017, 16.08.2017, 28.11.2017 and 13.02.2018.

ANNUAL EVALUATION OF PERFORMANCE OF BOARD, COMMITTEES AND INDIVIDUAL DIRECTORS:

The Board of Directors evaluated the annual performance of the Board as a whole, its committee's and the directors individually, in accordance with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with specific focus on the performance and effective functioning of the Board and Individual Directors.

A separate meeting of Independent Directors was held on 13th February, 2018 to review the performance of the Non-Independent Directors and the Board as a whole, review the performance of Chairperson of the Company and assess 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.

CRITERIA FOR PERFORMANCE EVALUATION:

- a. Ability of the candidates to devote sufficient time and attention to his professional obligations as Independent Director for informed and balanced decision making.
- b. Adherence to the Code of Conduct in letter and in spirit by the Independent Directors.
- c. Bringing objectivity and independence of view to the Board's discussions in relation to the Company's strategy, performance, and risk management.
- d. Statutory Compliance and ensuring high standards of financial probity and Corporate Governance.
- e. Responsibility towards requirements under the Companies Act, 2013, Responsibilities of the Board and Accountability under the Director's Responsibility Statement.

CHANGE IN THE NATURE OF BUSINESS:

There is no change in the nature of the business of the Company.

AUDITORS**Statutory Auditor:**

At the Annual General Meeting (AGM) held on September 30, 2014, M/s. NSVR & Associates LLP, Chartered Accountants, (Registration No. 008801S/S200060), (Formerly Known as a M/s Nekkanti Srinivasu & Co.), were appointed as Statutory Auditor of the Company to hold office till the conclusion of the Annual General Meeting to be held in the calendar year 2019. It would be in accordance with the provisions of Section 141 of the Companies Act, 2013. The Companies (Amendment) Act, 2017 has omitted the requirement of ratification of appointment of statutory auditors of the company.

Secretarial Auditor:

P.S.Rao & Associates, Practicing Company Secretaries, was appointed to conduct the secretarial audit of the Company for the financial year 2017-18, as required under Section 204 of the Companies Act, 2013 and Rules there-under. The secretarial audit report for FY 2017-18 forms part of the Annual Report as Annexure-3 to the Board's report.

The Board has appointed P.S.Rao & Associates, Practicing Company Secretaries, as secretarial auditors of the Company for the financial year 2018-19.

DIRECTORS' RESPONSES ON THE QUALIFICATIONS MADE BY THE SECRETARIAL AUDITORS IN THEIR REPORT:

With regard to the qualification raised in the Secretarial Audit Report with regard to non-appointment of CFO & Company Secretary, your Company has made all possible sincere and valid efforts to appoint Company Secretary and CFO, but was unable to find suitable candidates. The Company is taking steps to appoint them during 2017-18.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations.

The Board of Directors of the Company have adopted various policies like Related Party Transactions policy, Whistle Blower Policy such other procedures for ensuring the orderly and efficient conduct of its business for safeguarding 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.

NOMINATION AND REMUENRATION POLICY

The Board of Directors, on recommendation of the Nomination and Remuneration Committee, framed a Nomination and Remuneration policy on directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under Section 178(3) of the Companies Act, 2013. a policy of the Company on directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a director and other matters and to frame proper systems for identification, appointment of Directors & KMPs, Payment of Remuneration to them and Evaluation of their performance and to recommend the same to the Board from time to time. Nomination and Remuneration Policy of the Company is enclosed herewith as Annexure- 2.

RISK MANAGEMENT:

The Risk Management is overseen by the Audit Committee of the Company on a continuous basis. The Committee oversees Company's process and policies for determining risk tolerance and review management's measurement and comparison of overall risk tolerance to established levels. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuous basis. For details, please refer to the Management Discussion and Analysis report which form part of the Board Report.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134 (5) of the Companies Act, 2013 Your Directors' confirm that:

- i. In preparation of annual accounts for the financial year ended 31st March, 2018 the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- ii. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year ended 31st March, 2018 and of the profit and loss of the Company for the year;
- iii. The Directors have taken proper and sufficient care for their maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. The Directors had prepared the annual accounts on a 'going concern' basis;
- v. The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- vi. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

EXTRACT OF ANNUAL RETURN:

The details forming part of the extract of the Annual Return in Form MGT-9 is annexed herewith as Annexure - 1.

CORPORATE SOCIAL RESPONSIBILITY (CSR):

As per the criteria laid down in the Companies Act, 2013, the provisions of Corporate Social Responsibility are not applicable to your Company.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE OUT-GO

As your Company has not carried any operations during the financial year review, no Information as required under section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is not being provided.

OTHER DISCLOSURES:

Committees of Board

Your company has the following committees namely:

1. AUDIT COMMITTEE
2. NOMINATION AND REMUNERATION COMMITTEE
3. STAKEHOLDERS RELATIONSHIP COMMITTEE

The constitution of all the committees is as per the Companies Act, 2013 and Listing Agreement with Stock Exchanges. The details of the Constitution are mentioned in Corporate Governance Report, which forms part of this Annual Report.

CORPORATE GOVERNANCE REPORT

Your Company has complied with the requirements of Regulation 27 of SEBI (LODR) Regulations, 2015 Listing Agreement entered with the Stock Exchanges; Report on Corporate Governance including Auditor's Certificate on compliance with the code of Corporate Governance specified under the said Clause forms part of this report.

MANAGEMENT DISCUSSION AND ANALYSIS

A brief note on the Management discussion and analysis for the year is annexed as part of this report

VIGIL MECHANISM:

In pursuant to the provisions of section 117(9) & (10) of the Companies Act, 2013 Listing Agreement a Vigil Mechanism for directors and employees to report genuine concerns has been established. Protected disclosures can be made by a whistle blower through to the Chairman of the Audit Committee. The Policy on vigil mechanism and whistle blower policy may be accessed on the Company's website.

REMUNERATION RATIO OF THE DIRECTORS/ KEY MANAGERIAL PERSONNEL/ EMPLOYEES:

As your Company has carried limited operations during the year under review, your Company has not employed any permanent employees on its rolls and managerial remuneration was not paid to the Director(s), hence no information is being provided as required under Section 197(12) of the



Companies Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

PARTICULARS OF EMPLOYEES

As required under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, NO employee of your Company is in receipt of remuneration of Rs.102 lakh or more, or employed for part of the year and in receipt of Rs. 8.5 lakh or more a month, during the financial year under review.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Details of the Loans, guarantees and investments if any covered under Section 186 of the Companies Act, 2013 are given in the notes to the financial statements pertaining to the year under review.

DEPOSITS

Your Company has not accepted any fixed deposits and as such no principal or interest was outstanding as on the date of the Balance sheet.

SUBSIDIARIES:

The Company has no subsidiaries; statement pertaining to the same in AOC-1 is annexed herewith as Annexure – 4.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SUB- SECTION (1) OF SECTION 188:

The details of all related party transactions are detailed in AOC-2 which is annexed herewith as Annexure – 5.

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

The Company has not employed any women employee during the financial year under review, further your Company has zero tolerance for sexual harassment at workplace and if necessary would adopt 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 Redresal) Act, 2013 and the rules framed there under.

GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
3. Neither the Managing Director nor the Whole-time Director of the Company receive any remuneration or commission from any of its subsidiaries.
4. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
5. No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year and date of report.

ACKNOWLEDGEMENTS:

Your Directors wish to convey their appreciation to business associates for their support and contribution during the year. The Directors would also like to thank the employees, shareholders, customers, suppliers, alliance partners and bankers for the continued support given by them to the Company and their confidence reposed in the management.

For and on behalf of the Board

Place : Hyderabad
Date : 14-08-2018

Sd/-
S.PAVAN NANDAN
Chairman
(DIN: 02187696)

Annexure I
FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31.03.2018

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

I. REGISTRATION AND OTHER DETAILS:

i	CIN	L72200TG1996PLC025855
ii	Registration Date	2nd December, 1996
iii	Name of the Company	BARON INFOTECH LIMITED
iv	Category / Sub-Category of the Company	IT Software
v	Address of the Registered office and contact details	1-8-313, 4th Floor, Linus Building, Chiran Fort Lane, Begumpet, Secunderabad. email: info@baroninfotech.com
vi	Whether listed company Yes / No	Yes
vii	Name, Address and Contact details of Registrar and transfer agent if any	M/s. Venture Capital And Corporate Investments Private Limited, 12-10-167, Bharat Nagar, Hyderabad, 500018, Tel: +91 040-3818475/76/23868023 Fax : +91 040-23868024 Email: info@vccilindia.com

II. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S.No	Name and Address of The company	CIN/GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
-	-	-	-	-	-



III. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
A. Promoters									
(1) Indian	-	1059200	1059200	10.38	-	1059200	1059200	10.38	-
a) Individual/HUF	-	1059200	1059200	10.38	-	1059200	1059200	10.38	-
Sub-total A(1):-									
(2) Foreign									
a) Individual/HUF	210000	-	210000	2.06	210000	-	210000	2.06	-
Sub-total A(2):-	210000	-	210000	2.06	210000	-	210000	2.06	-
Total shareholding of Promoter (A) =(A)(1)+(A)(2)	210000	1059200	1269200	12.44	210000	1059200	1269200	12.44	-
B. Public Shareholding	-	-	-	-	-	-	-	-	-
1. Institutions									
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.	228935	-	228935	2.24	116129	-	116129	1.14	1.10
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	3349030	1212389	4561419	44.72	3359711	1210789	4570500	44.81	0.09
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	2159103	1835605	4020908	39.42	2261298	1835605	4123103	40.42	1.00
c)trust	1700	-	1700	0.02	1700	-	1700	0.02	-
- NRI	107984	-	107984	1.06	107984	-	107984	1.06	-
- Clearing members	9454	-	9454	0.09	9854	-	9854	0.10	-
Sub-total (B)(2):-	5855606	3075194	8930800	87.55	5856606	3074194	8930800	87.55	0.00
Total Public Shareholding (B)= (B)(1)+ (B)(2)	5874233	3056567	8930800	87.55	5856606	3074194	8930800	87.55	0.00
C. Shares held by Custodian for GDRs & ADRs Grand Total (A+B+C)	6084233	4115767	10200000	100	6065606	4134394	10200000	100	-

(ii) Shareholding of Promoters

S.No	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			
		No. of Shares	% of total Shares of the company	% of Shares Pledge encumbered to total shares	No of Shares	% of total Shares of the company	% of Shares Pledge encumbered to total shares	% change In shares holding during
1	ALLURISRVSSNSMRAJU	210000	2.06%	-	210000	2.06%	-	-
2	D SRINIVASA RAJU	95000	0.93%	-	95000	0.93%	-	-
3	D KRISHNAM RAJU	47000	0.46%	-	47000	0.46%	-	-
4	D KRISHNAVENI	15500	0.15%	-	15500	0.15%	-	-
5	VENKATA SATYANARAYANA RAJU KUNAPARAJU	200	0.00%	-	200	0.00%	-	-
6	VENKATA SURYA NARAYANA RAJU SAKHINETI	10000	0.10%	-	10000	0.10%	-	-
7	SRINIVASA RAJU GOKARAJU	50000	0.49%	-	50000	0.49%	-	-
8	N VIJAYA LAXMI	9500	0.09%	-	9500	0.09%	-	-
9	D BANGARA RAJU	4500	0.04%	-	4500	0.04%	-	-
10	K KRISHNA VENI	9500	0.09%	-	9500	0.09%	-	-
11	V SATYANARAYANA RAJU	20000	0.20%	-	20000	0.20%	-	-
12	K KASI RAJU	30000	0.29%	-	30000	0.29%	-	-
13	T RAMAMURTHY RAJU	30000	0.29%	-	30000	0.29%	-	-
14	KALLAPALLI VENKATA SUGUNA	15000	0.15%	-	15000	0.15%	-	-
15	DEAN C SENIFF	210000	2.06%	-	210000	2.06%	-	-
16	PADMA KUNAPARAJU	43000	0.42%	-	43000	0.42%	-	-
17	VARMA KUNAPARAJU	86000	0.84%	-	86000	0.84%	-	-
18	SUBBA REDDY							
	ANNAPUREDDY PADMA	10500	0.10%	-	10500	0.10%	-	-
19	N V RAMA RAJU	3,73,500	3.66%	-	3,73,500	3.66%	-	-
	TOTAL:	1269200	12.44%	-	1269200	12.44%	-	-

(iii) Change in Promoters' Shareholding: NO CHANGE

S.No	Name Of the Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
-		-	-	-	-

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

S.No	Name Of the Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	CHALLA PAVAN KUMAR At the beginning of the year At the end of the year	325500	3.19	325500	3.19
2	ASHAKANI SURESH KUMAR At the beginning of the year At the end of the year	223500	2.19	223500	2.19
3	SYED RASHEED AHMED At the beginning of the year At the end of the year	200000	1.96	200000	1.96
4	BHONGIR SOHAN BAPU At the beginning of the year At the end of the year	161000	1.58	161000	1.58
5	BATTINA MADHURI At the beginning of the year At the end of the year	150000	1.47	150000	1.47
6	KONDABATHULA RAVI SHANKAR At the beginning of the year At the end of the year	150000	1.47	150000	1.47
7	A SEETA RAMA RAJU At the beginning of the year At the end of the year	150000	1.47	150000	1.47
8	K. BAPU RAO At the beginning of the year At the end of the year	124105	1.22	124105	1.22
9	RAMA BHADRA VARMA ALLURI At the beginning of the year At the end of the year	108000	1.06	108000	1.06
10	ALLURI SRI LATHA At the beginning of the year At the end of the year	104500	1.02	104500	1.02

(v) Shareholding of Directors and Key Managerial Personnel:

S.No	Name Of the Shareholder / key managerial personnel (KMP)	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
-	-	-	-	-	-

IV. INDEBTEDNESS

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

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

B. Remuneration to other directors:

S.No	Particulars of Remuneration	Name of Directors	Total Amount
1.	Independent Directors <ul style="list-style-type: none"> • Fee for attending board / committee meetings • Commission • Others, please specify 	--	--
2.	Total (1)		
	Other Non-Executive Directors <ul style="list-style-type: none"> • Fee for attending board / committee meetings • Commission • Others, please specify 	--	--
	Total (2)	--	--
	Total (B)=(1+2)	--	--
	Total Managerial Remuneration	--	--
	Overall Ceiling as per the Act	--	--

C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD

S.No	Particulars of Remuneration	Name of KMP	Total Amount
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	--	--
2.	Stock Option	--	--
3.	Sweat Equity	--	--
4.	Commission - as % of profit - others, specify...	--	--
5.	Others, please specify	--	--
	Total (A)	--	--
	Ceiling as per the Act		

VI. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of The Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
Penalty	--	--	--	--	--
Punishment	--	--	--	--	--
Compounding	--	--	--	--	--
OTHER OFFICERS IN DEFAULT					
Penalty	--	--	--	--	--
Punishment	--	--	--	--	--
Compounding	--	--	--	--	--

NOMINATION AND REMUNERATION POLICY

1. INTRODUCTION

A transparent, fair and reasonable process for determining the appropriate remuneration at all levels of Baron Infotech Limited (the Company) is required to ensure that shareholders remain informed and confident in the management of the Company. To harmonize the aspirations of human resources consistent with the goals of the Company and in terms of the provisions of the Companies Act, 2013 and the rules made there under and the Listing Agreement as amended from time to time, this policy on nomination and remuneration of Directors (including non-executive directors) on the Board of Directors, the Key Managerial Personnel (KMP) and Senior Management has been formulated by the Committee and approved by the Board of Directors. This Policy shall act as a guideline for determining, inter-alia, qualifications, positive attributes and independence of a director, matters relating to the remuneration, appointment, removal and evaluation of performance of the Directors (including non-executive directors), Key Managerial Personnel and Senior Management Personnel.

2. OBJECTIVE OF THE POLICY

- (a) The objective of this Policy is to outline a framework to ensure that the Company's remuneration levels are aligned with industry practices and are sufficient to attract and retain competent director(s) on the Board, KMP(s) and the Senior Management Personnel of the quality required, Baron Infotech allowing fair rewards for the achievement of key deliverables and enhanced performance. The key objectives of this Policy include:
- (i) guiding the Board in relation to appointment and removal of Director(s), Key Managerial Personnel and Senior Management;
 - (ii) Evaluating the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
 - (iii) Recommending to the Board the remuneration payable to the Director(s) and setting forth a policy for determining remuneration payable to KMP and Senior Management Personnel.
- (b) While determining the remuneration for the Director(s) (including non-executive directors) and KMPs and Senior Management Personnel, regard should be had to prevailing market conditions, business performance and practices in comparable companies, also to financial and commercial health of the Company as well as prevailing laws and government/ other guidelines, to ensure that pay structures are appropriately aligned and the levels of remuneration remain appropriate.

- (c) While designing the remuneration package it should be ensured:
 - (i) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate the person, to ensure the quality required to run the Company successfully;
 - (ii) there is a balance between fixed and incentive pay, reflecting short and long term performance objectives appropriate to the working of the Company and its goals.
- (d) Some part of the remuneration package may be linked to the achievement of corporate performance targets of the Company and a strong alignment of interest with stakeholders.
- (e) The Committee may consult with the chairman of the Board as it deems appropriate.

The Committee shall observe the set of principles and objectives as envisaged under the Companies Act, 2013 (“Act”) (including Section 178 thereof), rules framed there under and clause 49 of the Listing Agreement including, inter-alia, principles pertaining to determining qualifications, positives attributes, integrity and independence.

- (f) In this context, the following policy has been formulated by the Nomination and Remuneration Committee and adopted by the Board of Directors through circulation on 08th December, 2014.

3. EFFECTIVE DATE

This policy shall be effective from the date of its adoption by the Board.

4. DEFINITIONS

- (a) In this Policy unless the context otherwise requires:
 - (i) ‘Board of Directors’ or ‘Board’, in relation to the Company, means the collective body of the directors of the Company.
 - (ii) ‘Committee’ means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board.
 - (iii) ‘Company’ means “BARON INFOTECH LIMITED”.
- (iv) ‘Independent Director’ means a director referred to in Section 149(6) of the Companies Act, 2013 read with clause 49 of the Listing Agreement.
- (v) ‘Key Managerial Personnel’ (KMP) shall have the meaning ascribed to it in the Act and the Rules made thereunder.

- (vi) 'Non-Executive Directors' includes Independent Directors.
- (vii) 'Policy' means Nomination and Remuneration policy.
- (viii) 'Senior Management Personnel' for this purpose shall mean personnel of the Company who are members of its core management team excluding Board of Directors. It would comprise all members of management one level below the executive director(s), including the functional heads.
- (b) Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 and/ Listing Agreement as may be amended from time to time shall have the meaning respectively assigned to them therein.

5. APPLICABILITY

This Policy is applicable to:

- (i) Directors, including Non- Executive Directors
- (ii) Key Managerial Personnel
- (iii) Senior Management Personnel

6. MEMBERSHIP

- (a) The Committee shall consist of such number of directors as is required under applicable laws.
- (b) Membership of the Committee shall be disclosed in the Annual Report and on the website of the Company.
- (c) Term of the Committee shall be continuous unless terminated by the Board of Directors.

7. CHAIRMAN

- (a) Chairman of the Committee shall be an Independent Director.
- (b) Chairperson of the Company (whether executive or non-executive) may be appointed as a member of the Committee but shall not be the Chairman of the Committee.
- (c) Chairman of the Nomination and Remuneration Committee meeting shall be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

8. FREQUENCY OF MEETINGS

The meeting of the Committee shall be held at such intervals as may be required.

9. COMMITTEE MEMBERS' INTERESTS

- (a) A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- (b) The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

10. SECRETARY

The Company Secretary of the Company shall act as Secretary of the Committee.

11. QUORUM

The quorum necessary for transacting business at a meeting of the Committee shall be two members or one-third of the members of the Nomination and Remuneration Committee; whichever is greater.

12. VOTING

- (a) Matters arising for determination at Committee meetings shall be decided by a majority of votes of members present. Any such decision shall for all purposes be deemed a decision of the Committee.
- (b) In the case of equality of votes, the Chairman of the meeting will have a casting vote.

13. RESPONSIBILITY OF THE COMMITTEE

- (a) The Committee is responsible for:
 - (i) formulating criteria for determining qualifications, positive attributes and independence of a Director for the purpose of this Policy;
 - (ii) advising the Board on issues concerning principles for remuneration and other terms of employment including remuneration for the Directors (including Non-Executive Directors), KMPs and the Senior Management;
 - (iii) monitoring and evaluating programs for variable remuneration, both on-going and those that have ended during the year, for the Directors (including Non-Executive Directors), KMPs and the Senior Management;

- (iv) monitoring and evaluating the application of this Policy;
- (v) monitoring and evaluating current remuneration structures and levels in the Company; and
- (vi) Any other responsibility as determined by the Board.

14. APPOINTMENT OF DIRECTORS, KMP OR SENIOR MANAGEMENT PERSONNEL

- (a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as a Director, KMP and/or Senior Management Personnel.
- (b) A person should possess adequate qualifications, expertise and experience for the position he/ she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.
- (c) Appointment of Directors, KMPs and Senior Management Personnel is subject to compliance of provisions of the Companies Act, 2013 and compliance of clause 49 of the Listing Agreement.
- (d) The appointment of a Director or a KMP, as recommended by the Nomination and Remuneration Committee further requires the approval of the Board.

15. REMUNERATION

- (a) Remuneration to Executive Directors, Directors other than Executive Director:
 - (i) The remuneration/ compensation/ commission etc. to Directors will be determined by the Committee and recommended to the Board for approval. The remuneration/ compensation/ commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
 - (ii) The remuneration and commission to be paid to Directors shall be as per the statutory provisions of the Companies Act, 2013, and the rules made there under for the time being in force.
 - (iii) Increments to the existing remuneration/ compensation structure of Directors shall be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Directors.
 - (iv) Where any insurance is taken by the Company on behalf of its Directors for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided

that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

(v) Remuneration to Executive Director

Fixed pay:

- Executive Director(s) shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force.
- The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

Variable components:

- The Executive Director may be paid performance linked commission within the overall limits as approved by the shareholders.

Remuneration to Directors other than Executive Director: Sitting Fees:

- The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof.

Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

(b) Remuneration to KMP and Senior Management Personnel:

- (i) The remuneration payable to KMP and Senior Management Personnel including their increments will be determined by the Managing Director and recommend to the Nomination and Remuneration Committee for approval.
- (ii) Where any insurance is taken by the Company on behalf of its KMP and Senior Management Personnel for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

(iii) Remuneration:

(i) Fixed pay:

- KMP and Senior Management shall be eligible for a monthly remuneration as may be approved by the Committee in accordance with the statutory provisions of the Companies Act, 2013, and the rules made there under for the time being in force.
- The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Committee.

(ii) Variable components:

- Based on the performance KMP and Senior Management Personnel will be paid incentives.

16. POLICY ON BOARD DIVERSITY

- (a) The Board of Directors shall have the optimum combination of Directors from the different areas/ fields like [production, management, quality assurance, finance, sales and marketing, research and development, Human Resources etc.] or as may be considered appropriate.
- (b) The Board shall have at least one Board member who has accounting or related financial management expertise.

17. REMOVAL

The Committee may recommend, to the Board with reasons recorded in writing, removal of a Director(s), KMP(s) and Senior Management subject to the provisions and compliance of the applicable Act, rules and regulations, if any.

18. DISCLOSURE OF INFORMATION

This Policy shall be disclosed in the Board's report.

19. DEVIATION FROM THE POLICY

The Board may, in individual or collective case, deviate from this Policy, in its absolute discretion, if there are particular reasons to do so. In the event of any departure from the Policy, the Board shall record the reasons for such departure in the Board's minutes.

20. AMENDMENTS TO THE POLICY

The Board of Directors on its own and / or as per the recommendations of Nomination and Remuneration Committee can amend this Policy, as and when deemed fit.

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

Form No. MR-3
SECRETARIAL AUDIT REPORT

[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]

SECRETARIAL AUDIT REPORT
For The Financial Year Ended 31st March, 2018

To
The Members
Baron Infotech Limited
Hyderabad – 500 003

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s Baron Infotech Limited, (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 our 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 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, 2018 has 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:

1. 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, 2018 according to the provisions of:
 - i. The Companies Act, 2013 (the Act) (to the extent applicable) and the Rules made under that Act;
 - ii. The Companies Act, 1956, and the Rules made under that Act (To the extent applicable);
 - iii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
 - iv. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
 - v. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment;

- vi. Listing Agreements entered with the Stock Exchanges;
- vii. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
 - b. Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - c. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - d. Securities and Exchange Board of India (Depositories and Participants) regulations, 1996;
 - e. Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
2. Provisions of the following Regulations and Guidelines prescribed under Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company in the financial year under report:-
 - a. Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - b. Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - c. Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
3. The industry specific laws that are applicable to the Company are as follows:
 1. The Information Technology Act, 2000

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

- a. Secretarial Standards SS-1 and SS-2 with respect to meetings of the board of directors and general meetings respectively issued and notified by The Institute of Company Secretaries of India which came into force w.e.f. 1st July, 2015 under the provisions of section 118(10) of the Act.

During the period under review the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following Observation that:

- a) Key Managerial Persons i.e. Company Secretary and CFO were not appointed for the financial year ended 2017-18.

We 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.

Adequate notice was given to all directors to schedule the board meetings, agenda and detailed notes on agenda were sent and a system exists for seeking clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

We further report that 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.

with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Place: Hyderabad
Date: 14-08-2018

For P.S. Rao & Associates
Company Secretaries

P.S.RAO
Company Secretary
ACS No:9769
C P No:3829

Note: This report is to be read with our letter of even date which is annexed as 'Annexure 1' and forms an integral part of this report.

To,
The Members,
Baron Infotech Limited
Hyderabad

Our report of even date is to be read along with this letter.

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

Place: Hyderabad
Date: 14-08-2018

For P.S. Rao & Associates
Company Secretaries

P.S.RAO
Company Secretary
ACS No:9769
C P No:3829

MANAGEMENT DISCUSSION AND ANALYSIS

Industry Structure and Development

According to NASSCOM India continues to be a premier destination for global sourcing of IT and enabled services, accounting for around 55% share in the global sourcing market during the financial year 2018. Exports from India are increasing drastically financial year 2018. The growth in export markets is expected to be in ability to offer solutions that integrate new business models such as SMAC (Social, Mobile, Analytics and cloud) with traditional offerings and improvement in demand scenario with signs of revival in global economy SMAC based integrated offerings is expected to change the way business is to be done in the near future. This represents an attractive opportunity for Indian IT vendors. As per NASSCOM, the combined potential of SMAC based technologies is estimated to be between US \$ 70bn to 250bn over the next 3 years.

Big data is increasingly evolving as an indispensable tool to manage and run the business efficiently. India is well placed to tap this opportunity due to its proven IT strengths and analytics capabilities. As per NASSCOM India's big data industry is estimated to reach US \$ 2bn by 2018, increasing at a remarkable CAGR of over 15% from US \$ 250mn in 2018. The government sector continues to be the largest contributor of revenue in domestic market, with increased trust on e-governance initiatives

Opportunities, Threats, Risks and Concerns:

While the domestic market shows signals of increased IT spend by government agencies, large operators of the industry only are able to address these big sized opportunities since they have the capacity built up with good cash reserves. Even multinational IT players are in the race to take up large deals which require substantial investment. Therefore smaller companies with limited or scarce resources certainly are continuing to remain at a disadvantageous position handicapped and have difficulty in reaching their targets. Our company too, has the same limitation.

Outlook

The Company's aim is to optimally utilize its resources and grabbing all the possible opportunities for achieving the end result of the organization for the year and for long run sustainability. Investment in research is needed to come up with new products and to give tough competition to competitors.

Operations of the Company

The Company has not been carrying on its operations due to lack of orders except some training programs and back-to-back contract on behalf of others. The Company is exploring various sources to get software contracts.



Internal Controls and Their Adequacies

The Company is endeavoring to place all the controlling systems to have proper control and accountability on the operations at each level.

Human Resources / Industrial Relations

The Company believes and recognizes that its employees are a vital resource in its growth and to give competitive edge in the present business scenario.

The Board of Directors wishes to place on record its appreciation for the hard work and dedication of its employees at all levels.

Place: Hyderabad
Date : 14-08-2018

By Order of the Board
for BARON INFOTECH LIMITED

Sd/-
S.PAVAN NANDAN
DIRECTOR
(DIN: 02187696)

ANNEXURE - 4

Form AOC-1

(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

The Company has no subsidiaries.

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures: Not applicable

For and on behalf of the board

Sd/-
S.PAVAN NANDAN
DIRECTOR
(DIN: 02187696)

Place: Hyderabad

Date: 14-08-2018

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.

Form for 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 arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

There were no contracts or arrangements or transactions entered into during the year ended 31st March, 2018, which were not at arm's length basis.

2. Details of contracts or arrangements or transactions at Arm's length basis.

There were no contracts or arrangements or transactions entered into during the year ended 31st March, 2018, which were at arm's length basis.

For and on behalf of the board

Sd/-
S.PAVAN NANDAN
DIRECTOR
(DIN: 02187696)

Place: Hyderabad
Date: 14-08-2018

CORPORATE GOVERNANCE:
1. BOARD OF DIRECTORS

The Board presently comprises of five Directors, having rich and vast experience with specialized skills in their respective fields, out of which four are Non-Executive Directors. The Company has a Executive Chairman and four (4) Independent Directors comprising more than 50% of the total strength of the Board. The Non-Executive Directors are more than 50% of the total number of Directors with the Managing Director being the only Executive Director on the Board of the Company.

Name of the Director	Category	No of Board Meetings during the Year 2017-18		Attendance at last AGM	Other Director ships*	No of Member ships held in Companies#
		Held	Attended			
S.PavanNandan	Executive Director	4	4	YES	NIL	NIL
D. Chandra Subash	Independent Director	4	4	YES	NIL	NIL
N.KamalaKumari	Independent Director	4	4	YES	NIL	NIL
B.VishnuVardhan Reddy	Independent Director	4	4	YES	NIL	NIL
P.SrinivasaRao	Independent Director	4	4	YES	NIL	NIL

*Excluding Private Limited Companies and Section 8 Companies.

Only Membership of Audit and Stakeholders Grievances Committees are considered.

During the year under review four Board Meetings were held on 28.05.2017,6.08.2017,28.11.2017 and 13.02.2018.

2. COMMITTEES OF DIRECTORS
Audit Committee

The Committee is empowered with the role and powers as prescribed under Regulation 18 of SEBI (LODR) Regulations, 2015 and section 177 of the Companies Act, 2013. The Committee also acts in terms of reference and directions of the Board from time to time.

The composition of the Audit Committee and the attendance of each Member of the Committee at the meetings were as follows:

S.No.	Name of the Director	Category held during the year	No of Meetings attended	No of Meetings
1	N.KamalaKumari	Chairman	4	4
2	D. Chandra Subash	Independent Director	4	4
3	B.VishnuVardhan Reddy	Independent Director	4	4

The Chairman of the Audit Committee also attended the last Annual General Meeting of the company.

The Audit Committee meetings were held during the period under review on the following date's 28.05.2017,6.08.2017,28.11.2017 and 13.02.2018.The gap between two audit Committee meetings was not more than four months.

The necessary quorum was present at all the meetings.

Nomination & Remuneration Committee:

Nomination & Remuneration committee was duly constituted and comprises of Three (3) Non-Executive Directors. The Nomination & Remuneration Committee is authorized, to negotiate, finalize and approve the terms of appointment for Managing Directors/Whole-time Directors and other Senior Executives on behalf of the Company. The Composition of Nomination & Remuneration Committee is asfollows:

Name of the Director	Nature of Directorship	Category held during the year	No of Meetings	No of Meetings attended
P.SrinivasaRao	Chairman	Independent Director	1	1
D. Chandra Subash	Member	Independent Director	1	1
B.VishnuVardhan Reddy	Member	Independent Director	1	1

Chairman and members of the Remuneration Committee are Independent Non-Executive Members.

The Nomination and Remuneration Committee reviews the remuneration package payable to Executive Director(s) and Other Senior Executives in the top level management of the Company and other elements of their appointment and gives its recommendations to the Board and acts in terms of reference of the Board from time to time. The Company's Remuneration policy as applicable to Directors, Key Managerial Persons and other Senior Management Personnel of the Company is annexed as Annexure - 2 to the Board's Report.

Stakeholders Grievance Committee

The present Composition of the Stakeholders Grievance Committee is as under:

S.NO.	Name of the Director	Nature of Directorship	Membership
1	D.ChandraSubash	Independent & Non-Executive Director	Chairman
2	S.PavanNandan	Executive Director	Member

The Committee has been delegated with following powers:

- To review and redress shareholder / investor's complaints etc. relating to transfer of shares, non-receipt of balance sheet/ annual reports, non-receipt of declared dividends etc.
- To approve transfer and transmission and issue of duplicate/fresh share certificates.
- To consolidate and sub-division of share certificates etc.
- To redress, approve and dispose of any other complaint, transaction and request etc. received from any shareholder of the Company and investor in general.

M/s Venture Capital and Corporate Investments Private Limited, the Registrar and Share Transfer Agents has been delegated the power to process the transfer and transmission of shares. The share transfers are processed within the time prescribed under the statute from the date of request in case of shares held in physical form. There were no pending share transfers and un-resolved shareholders' grievances pertaining to the Financial Year ended 31st March, 2018.

Name and designation of Compliance Officer:

Mr. S.Pavan Nandan is appointed to act as Compliance Officer as per Regulation 6 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered with the Stock Exchanges..

Email id for investor grievances: info@baroninfotech.net

Number of shareholders' complaints received so far:

During the year ended 31 March 2018, the Company has received 2 (Two) Complaints and there were no pending complaints as at the year end.

Number not solved to the satisfaction of shareholders: Nil

Number of pending complaints: Nil

C. GENERAL BODY MEETINGS

i) The Details of the last three Annual General Meetings are given below:

Financial	Date	Venue	Time	Special Resolution passed
31st March, 2017	29th September, 2017	504, 5th Floor, Micasa Flora, Durga Enclave, Kompally, Secunderabad-16	11.00 AM	No Special Resolution
31st March, 2016	30th September, 2016	504, 5th Floor, Micasa Flora, Durga Enclave, Kompally, Secunderabad-16	11.00 AM	No Special Resolution
31st March, 2015	30th September, 2015	504, 5th Floor, Micasa Flora, Durga Enclave, Kompally, Secunderabad-16	11.00 AM	No Special Resolution

ii) During the last three financial years the following Special Resolutions were passed at the Extra-Ordinary General Meetings and through Postal Ballet.

Year	Date	Time	Special Resolution Passed
2015-2017	No Extra-ordinary General Meeting of the members was held during the year		
2014-2016	No Extra-ordinary General Meeting of the members was held during the year		
2013-2015	No Extra-ordinary General Meeting of the members was held during the year		

3. DISCLOSURES

No transaction of material nature is entered into by the Company with the promoters, directors or management or their relatives etc that may have a potential conflict of interest of the Company. The Company has not entered into any contract with the director, which requires any entry in the register of contracts as required under the provisions of the Companies Act, 2013 there are no pecuniary transactions with the independent/ non-executive directors other than payment of remuneration/sitting fees.

Details of Non-Compliance and Penalties:

There was no non-compliance during the year by the Company on any matter related to Capital Market. There were no penalties imposed nor strictures passed on the Company by any Stock

Exchanges, Securities and Exchange Board of India or any Statutory Authority relating to the Capital Markets.

Whistle Blower Policy:

As per the Internal Code of Conduct the employees have been given access to the Audit Committee

Details of Compliance with Mandatory Requirements and Adoption of the Non-mandatory Requirements:

The Company has complied with the mandatory requirements enumerated in Regulation 17 to 27 of SEBI (LODR) Regulations, 2015 and has also complied with non-mandatory requirements.

Relationships inter-se among Directors:

In accordance with the provisions of the Companies Act, 2013, no directors and promoters are related to each other.

Familiarization program of Independent Directors

The Company conducted familiarization program for the Independent Directors to familiarize them to their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc. The Company also conducted a separate program on the latest SEBI Regulations to promote training to the Directors to ensure that the Board Members are kept up to date.

4. Means of Communication

Your Company complied with the requirements of Regulation 33 of SEBI (LODR) Regulations, 2015. The results are being published in Business Standard (English Newspaper) and Andhra Prabha (Telugu – Regional).

The Financial Results are regularly being submitted to the Stock Exchanges in accordance with the Listing Agreement and simultaneously displayed on the Company's website www.baroninfotech.com.

**5. GENERAL SHAREHOLDER'S INFORMATION****A. Annual General Meeting**

Date and Time	29th September, 2018-9.30AM
Venue	BARON INFOTECH LIMITED 504, Micasa Flora, Durga Enclave, Kompally, Secunderabad-14
Last Date of Proxy forms submission	48 Hours

B. Financial Year	: 1st April, 2017 to 31st March, 2018
C. Book Closure	: 22nd September, 2018 to 29th September, 2018
D. Listing on Stock Exchanges	: BSE Limited, Mumbai

Stock Code

Name of the Stock Exchange	Stock Code	Scrip Code
BSE Limited	532336	BARONINF
Demat ISIN No. for NSDL & CDSL	INE228B01017	

E. Market Price Data & Share Performance of the Company

The monthly High, Low and trading volumes of the Companies Equity Shares during the last financial year 2016-2017 at BSE Limited is as under:

Months	Bombay Stock Exchange limited		
	High (Rs.)	Low(Rs.)	Volume
Apr-17	0.48	0.39	6100
May-17	0.38	0.32	13550
Jun-17	0.35	0.34	300
Jul-17	0.34	0.34	2700
Aug-17	0.34	0.32	402
Sep-17	0.32	0.32	200
Oct-17	0.33	0.31	855
Nov-17	0.34	0.33	10550
Dec-17	0.33	0.32	28401
Jan-18	0.33	0.31	4962
Feb-18	0.33	0.33	1030
Mar-18	0.33	0.28	6470



All Services relating to share transfer/transmissions and information may be addressed to:

F. Registrar and Share Transfer System

M/s Venture Capital Corporates Investments Private Limited 12-10-167, Bharat nagar Hyderabad – 18.

G. Share Transfer System

Share Transfers in physical form shall be lodged with the Registrar at the said address. The share transfers are generally processed by our Registrars within 15 days from the date of receipt provided the documents are complete in all respects.

H. Shareholding Pattern as on 31st March, 2017

Category	No. of Shares held	% of Capital
Indian Promoters	1059200	10.38
Banks, Financial institutions, Insurance Companies (Central/State Govt institutions/ Non-Govt.institution)	0	0
Indian Public	8582327	84.14
Private Corporate Bodies	228935	2.24
NRI's/OCB's/FCCB's, others	329538	3.24
Total	10200000	100

I. Dematerialization of shares and liquidity

The Company has made necessary arrangements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for dematerialization facility. As on 31st March, 2018, 59.48% of the Company's Equity Shares are in dematerialized form. The ISIN No. /Code for the Company's Equity Shares is INE228B01017. Shareholders can open an account with any of the depository participants registered with any of these depositories.

J. Registered Office & Address for Correspondence Baron Infotech Limited

1-8-313,4th Floor, Linus Building, Chiran Fortlane, Begumpet, Secunderabad

For and on behalf of the Board

Place: Hyderabad
Date: 14-08-2018

Sd/-
S.PAVANNANDAN
Whole Time Director

Whole Time Director Certification

I had reviewed the financial statements read with the cash flow statement of Baron Infotech Limited for the year ended March 31st, 2018 and to the best of our knowledge and belief, we state that;

- a)
 - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading.
 - (ii) These statements present true and fair view of the Company's affairs and are in compliance with current Accounting Standards, applicable laws and regulations.
- b) There are, to the best of my knowledge and belief, no transaction entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's Code of Conduct.
- c) I accept responsibility for establishing and maintaining internal controls for financial reporting. I had evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, and steps taken or proposed to be taken for rectifying these deficiencies.
- d) I had indicated to the Auditors and Audit Committee:
 - i) that there are no significant changes in internal control over financial reporting during the year;
 - ii) that there are no significant changes in accounting policies during the year; and
 - iii) There are no instances of fraud involving the management or an employee.

Place: Hyderabad
Date: 30.05.2018

Sd/-
Whole Time Director

Declaration by the Whole Time Director

I, S. PAVAN NANDAN Whole Time Director, hereby declare that the Company has received the declarations from all the Board Members and Senior Management Personnel affirming compliance with Code of Conduct for Members of the Board and Senior Management for the year 2017-2018

Place: Hyderabad
Date: 30.05.2018

Sd/-
Whole Time Director



AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of Baron Infotech Limited

We have examined the compliance of conditions of Corporate Governance by Baron Infotech Limited, for the period ended on 31st, March 2018, as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

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

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

For NSVR & ASSOCIATES LLP

Chartered Accountants
FRN : 008801S/S200060

Sd/-

N.V.GANGADHARA RAO

Partner
Membership no 219486

Place: Hyderabad
Date: 14.08.2018

INDEPENDENT AUDITOR'S REPORT

To
The Members of Baron Infotech Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Baron Infotech Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 Ind AS and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibility for the 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 financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance

with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements 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. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility

Our objectives are to obtain reasonable assurance about whether the 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.

Report on Other Legal and Regulatory Requirements

- 1) As required by Section 143(3) of the Act, based on our audit we report to the extent applicable that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act. On the basis of the written representations received from the directors of the Company as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Act.
 - e) 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 A”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.

- f) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has no pending litigations on its financial position in its financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts; and
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- 2) As required by the Companies (Auditor’s Report) Order, 2016 (“the Order”) issued by the Central Government in terms of Section 143(11) of the Act, we give in “Annexure B” a statement on the matters specified in paragraphs 3 and 4 of the Order.

For NSVR & ASSOCIATES LLP

Chartered Accountants
FRN : 008801S/S200060

Sd/-

N.V.GANGADHARA RAO

Partner

Membership no 219486

Place: Hyderabad

Date: 30.05.2018

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT
(Referred to in paragraph 1 (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting 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 Baron Infotech Limited (“the Company”) as of March 31, 2018 in conjunction with our audit of the 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting of the Company 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 the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 judgement, 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, 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 March 31, 2018, based on the criteria for internal financial control over financial reporting 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.

Other Matters

The Company's internal control system for recovery of dues from the customers the credit period, periodical confirmations and reconciliation of customer accounts needs to be strengthened further.

For NSVR & ASSOCIATES LLP

Chartered Accountants

FRN : 008801S/S200060

Sd/-

N.V.GANGADHARA RAO

Partner

Membership no 219486

Place: Hyderabad

Date: 30.05.2018

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT
(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’
section of our report of even date)

- i.
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.
- ii. The Company does not hold any inventory. Hence, Paragraph 3 (ii) of the order is not applicable.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013, thus, Clause 3(iii) of the order is not applicable.
- 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 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- v. According to the information and explanations given to us, the Company has not accepted any deposit during the year. In respect of unclaimed deposits, the Company has complied with the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013.
- vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013.
- vii. According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees’ State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Goods and Service Tax, cess and other material statutory dues applicable to it to the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees’ State Insurance, Incometax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Goods and Service Tax, cess and other material statutory dues in arrears as at March 31, 2018 for a period of more than six months from the date they became payable.
 - (c) There are no Overdue Amount remaining outstanding as at March 31, 2018

- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks. The Company did not have dues to financial institutions, government and to debenture holders.
- ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the Order is not applicable.
- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- xiv. During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding or subsidiary company or persons connected with them and hence provisions of section 192 of the Act are not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For NSVR & ASSOCIATES LLP

Chartered Accountants
FRN : 008801S/S200060

Sd/-

N.V.GANGADHARA RAO

Partner

Membership no 219486

Place: Hyderabad

Date: 30.05.2018

**BALANCE SHEET AS AT 31.03.2018**

PARTICULARS	SCH No.	As at 31.03.2018	As at 31.03.2017	As at 31.03.2016
ASSETS				
Non-current assets				
Property plant and Equipment	2.1	0.00	0.00	0.00
Capital Work Inprogress	2.1	92.50	92.50	92.50
Intangible assets	2.2	0.00	0.00	0.00
Financial assets				
Investments	2.3	0.00	0.00	0.00
Other financial assets	2.4	0.00	0.00	0.00
Deferred tax Asset (net)	2.9	81.22	81.22	81.22
Other non current assets	2.5	0.00	0.00	0.00
		173.72	173.72	173.72
Current assets				
Inventories				
Financial assets	2.6	0.00	0.00	0.00
Trade receivables	2.7	0.00	0.00	0.00
Cash and cash equivalent	2.8	0.02	0.03	0.37
Other financial assets	2.4	0.00	0.00	0.00
Other current assets	2.5	0.00	0.00	0.00
		0.02	0.03	0.37
		173.74	173.75	174.09
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	2.6	1020.00	1020.00	1020.00
Other Equity	2.7	(852.71)	(852.54)	(851.18)
		167.29	167.46	168.82
Liabilities				
Non-current liabilities				
Financial Liabilities				
Borrowings	2.8	0.00	0.00	0.00
Deferred tax liabilities (net)		-	-	-
Other Non-Current liabilities		0.00	0.00	0.00
	0.00	0.00	0.00	
Current liabilities				
Financial Liabilities				
Borrowings	2.8	0.00	0.00	0.00
Trade payables	2.11	0.00	0.00	0.00
Other financial liabilities	2.12	0.00	0.00	0.00
Liabilities for current tax (net)				
Provisions	2.13	0.00	0.00	0.00
Other current liabilities	2.10	6.45	6.29	5.27
		6.45	6.29	5.27
TOTAL		173.74	173.75	174.09

The accompanying Significant accounting policies and notes form an integral part of the Standalone financial statements.

As per our Report of Even Date
For NSVR & ASSOCIATES LLP
Chartered Accountants,
FRN : 008801S/S200060
Sd/-

N.V.GANGADHARA RAO
Partner Place : Hyderabad
Membership no 219486 Date : 30.05.2018

For and on behalf of the Board of Directors

Sd/-
S.Pavan Nandan
(Whole time-Director)
DIN:02187696

Sd/-
B.Vishnu Vardhan Reddy
(Director)
DIN:07151065



PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2018

PARTICULARS	SCH No.	For the year ending as on 31.03.2018	For the year ending as on 31.03.2017
INCOME FROM OPERATIONS			
Revenue from operations	2.14	4.99	5.85
Other income	2.15	0.00	0.00
Total Revenue		4.99	5.85
Expenses			
Cost of materials consumed	2.16	2.60	3.14
Changes in inventories	2.17	0.00	0.00
Employee benefits expense	2.18	1.27	3.00
Finance costs	2.19	0.00	0.00
Depreciation and amortization expense	2.1	0.00	0.00
Other expenses	2.20	1.29	1.07
Total Expenses		5.16	7.21
Profit before tax		(0.17)	(1.36)
Tax expense			
(1) Current tax		0.00	0.00
(2) Deferred tax		0.00	0.00
Profit for the year		(0.17)	(1.36)
Other comprehensive income (OCI)			
Items that will not be reclassified to profit or loss		0.00	0.00
Tax on items that will not be reclassified to profit or loss		0.00	0.00
		0.00	0.00
Items that will be reclassified to profit or loss:			
Tax on items that may be reclassified to profit or loss			
Items that may be reclassified subsequently to profit or loss			
Total other comprehensive income/(loss) for the year, net of tax		0.00	0.00
Total comprehensive income for the year		(0.17)	(1.36)
Earnings per share:			
Basic earnings per share of 10/-each		(0.002)	(0.013)
Diluted earnings per share of 10/- each		(0.002)	(0.013)

The accompanying Significant accounting policies and notes form an integral part of the Standalone financial statements.

As per our Report of Even Date

For NSVR & ASSOCIATES LLP

Chartered Accountants,

FRN : 008801S/S200060

Sd/-

N.V.GANGADHARA RAO

Partner

Membership no 219486

For and on behalf of the Board of Directors

Sd/-

S.Pavan Nandan
(Whole time-Director)
DIN:02187696

Sd/-

B.Vishnu Vardhan Reddy
(Director)
DIN:07151065

Place : Hyderabad

Date : 30.05.2018



CASH FLOW STATEMENT FOR THE YEAR ENDED 31-03-2018

	31-03-2018	31-03-2017
CASH FROM OPERATING ACTIVITIES		
Net profit before tax	(0.17)	(1.36)
Adjustments for :		
Depreciation and amortization expense	0.00	0.00
Unrealised Foreign Exchange Gain	-	-
Gain on investments carried at fair value through profit or loss	0.00	0.00
Interest Received on Fixed Deposit	0.00	0.00
Interest & Finance Charges Paid	0.00	0.00
Operating profit before working capital changes	(0.17)	(1.36)
Movements in Working Capital		
(Increase)/Decrease in Inventories	0.00	0.00
(Increase)/Decrease in Other financial assets	0.00	0.00
(Increase)/Decrease in Trade Receivables	0.00	0.00
(Increase)/Decrease in Other Current Assets	0.00	0.00
(Increase)/Decrease in Other Non Current Assets	0.00	0.00
Increase/(Decrease) in Trade Payables	0.00	0.00
Increase/(Decrease) in Other financial liabilities	0.00	0.00
Increase/(Decrease) in Other Current liabilities	0.16	1.02
Increase/(Decrease) in Other Non Current liabilities	0.00	0.00
Changes in Working Capital	0.16	1.02
Cash generated from operations	(0.01)	(0.34)
Interest received on Deposits	-	-
Direct Taxes Paid	-	-
Net Cash from operating activities (A)	(0.01)	(0.34)
Cash flows from Investing Activities		
Purchase of Fixed Assets (Including CWIP)	-	0.00
Intangible Assets	0.00	0.00
Interest Received	-	-
Net Cash used in Investing Activities	0.00	0.00
Cash flows from/(used in) Financing Activities		
Issue of Share Capital	-	-
Issue of Share Warrants	-	-
Share Application Money	-	-
Proceeds from Long term borrowings	-	-
Repayment/Proceeds of/from Short-term borrowings	0.00	0.00
Interest paid	0.00	0.00
Corporate Dividend tax	-	-
Net Cash used in Financing Activities	0.00	0.00
Net Increase/(Decrease) in cash and cash equivalents	(0.01)	(0.34)
Cash and Cash equivalents at the beginning of the year	0.03	0.37
Cash and Cash equivalents at the ending of the year (Refer Note 2.8)	0.02	0.03

Notes :- 1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard on "Cash Flow Statements".(Ind AS-7)

2. The accompanying notes are an integral part of the financial statements.

As per our Report of Even Date
For NSVR & ASSOCIATES LLP

Chartered Accountants,
FRN : 008801S/S200060

Sd/-

N.V.GANGADHARA RAO

Partner

Membership no 219486

Place : Hyderabad

Date : 30.05.2018

For and on behalf of the Board of Directors

Sd/-

S.Pavan Nandan
(Whole time-Director)
DIN:02187696

Sd/-

B.Vishnu Vardhan Reddy
(Director)
DIN:07151065

**2.7 Statement of changes in equity
Statement of changes in equity for the period ended 31.03.2018**

PARTICULARS	"EQUITY SHARE	RETAINED EARNINGS	GENERAL RESERVE "CAPITAL	CAPITAL " RESERVE"	SECURITIES PREMIUM	MONEY RECEIVED AGAINST SHARE WARRANTS	TOTAL EQUITY
Balance as at 1/4/2017	1,020.00	(852.54)	-	-	-	-	167.46
Profit for the year	-	(0.17)	-	-	-	-	(0.17)
Additions during the year	-	-	-	-	-	-	-
Issued in Current year	-	-	-	-	-	-	-
Amount transfer to general reserve	-	-	-	-	-	-	-
Net change in fair value of FVTPL investments and others	-	-	-	-	-	-	-
Actuarial gain/(loss) on post-employment benefit obligations, net of tax benefit	-	-	-	-	-	-	-
Balance as at 31/03/2018	1,020.00	(852.71)	-	-	-	-	167.29

(Rs.in Lakhs)

PARTICULARS	"EQUITY SHARE	RETAINED EARNINGS	GENERAL RESERVE "CAPITAL	CAPITAL " RESERVE"	SECURITIES PREMIUM	MONEY RECEIVED AGAINST SHARE WARRANTS	TOTAL EQUITY
Balance as at 1/4/2016	1,020.00	(851.18)	-	-	-	-	168.82
Profit for the year	-	(1.36)	-	-	-	-	(1.36)
Additions During the year	-	-	-	-	-	-	-
Issued in Current year	-	-	-	-	-	-	-
Amount transfer to general reserve	-	-	-	-	-	-	-
Net change in fair value of	-	-	-	-	-	-	-
FVTPL investments and others	-	-	-	-	-	-	-
Actuarial gain/(loss) on post-employment benefit obligations, net of tax benefit	-	-	-	-	-	-	-
Balance as at 31/03/2017	1,020.00	(852.54)	-	-	-	-	167.46

(Rs.in Lakhs)

PARTICULARS	"EQUITY SHARE	RETAINED EARNINGS	GENERAL RESERVE "CAPITAL	CAPITAL" RESERVE"	SECURITIES PREMIUM	MONEY RECEIVED AGAINST SHARE WARRANTS	TOTAL EQUITY
Balance as at 1/4/2015	1,020.00	(927.45)	-	-	-	-	92.55
Profit for the year	-	76.27	-	-	-	-	76.27
Deferred Tax	-	-	-	-	-	-	-
Dividend paid (including dividend distribution and corporate dividend tax)	-	-	-	-	-	-	-
Amount transfer to general reserve	-	-	-	-	-	-	-
Net change in fair value of	-	-	-	-	-	-	-
FVTPL investments and others	-	-	-	-	-	-	-
Actuarial gain/(loss) on post-employment benefit obligations, net of tax benefit	-	-	-	-	-	-	-
Balance as at 31/03/2016	1,020.00	(851.18)	-	-	-	-	168.82

(Rs.in Lakhs)
2.1: Property, plant and equipment

Particulars	Gross carrying value			Accumulated depreciation / impairment			Net carrying value		
	As at 1 April 2017	Additions	Disposals	As at 31 March 2018	For the year	Impairment For the year	Disposals	As at 31 March 2018	As at 31 March 2017
Tangible Assets	-	-	-	-	-	-	-	-	-
Capital Work in Process	92.50	-	-	92.50	-	-	-	92.50	92.50
Total	92.50	-	-	92.50	-	-	-	92.50	92.50

Particulars	Gross carrying value			Accumulated depreciation / impairment			Net carrying value		
	As at 1 April 2016	Additions	Disposals	As at 31 March 2017	For the year	Impairment For the year	Disposals	As at 31 March 2017	As at 31 March 2016
Tangible Assets	-	-	-	-	-	-	-	-	-
Capital Work in Process	92.50	-	-	92.50	-	-	-	92.50	92.50
Total	92.50	-	-	92.50	-	-	-	92.50	92.50

2.21 First Time Adoption of Ind AS:

1.1 First-time adoption of Ind AS

These financial statements, for the year ended 31st March 2018, are the first set of financial statements the Company has prepared in accordance with Indian Accounting Standards (IndASs). For periods up to and including the year ended 31st March 2017, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

The Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31st March 2018, together with the comparative period data as at and for the year ended 31st March 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1st April 2016, i.e., the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1st April 2016 and the financial statements as at and for the year ended 31st March 2017.

Exemptions Applied

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

The Company adopted not to measure any item of property, plant and equipment at its fair value at the Transition Date. Accordingly, on the transition date, the net carrying value of the property, plant and equipment and intangible assets shall be considered as deemed cost for Ind AS purposes.

Ind AS 21 "The Effects of Changes in Foreign Exchange Rates" Cumulative currency translation differences for all foreign operations are deemed to be zero as at 1 April 2016.

Estimates

The estimates at 1st April 2016 and at 31st March 2017 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items where application of Indian GAAP did not require estimation:

- FVTPL – Quoted equity shares
- Impairment of financial assets based on expected credit loss model ("ECL model")

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at 1st April 2016, the date of transition to Ind AS and as of 31st March 2017.

Reconciliation of equity as previously reported under Previous GAAP and that computed under Ind AS

Rs. In Lacs

Particulars	Equity as at 31stMarch 2017 (Audited)	Equity as at 1stApril 2016 (Audited)
Equity as per Previous GAAP	167.46	168.81
Items not qualified as asset as per IND AS	--	---
Impact on account of deferred Tax	--	--
Impairment of trade receivables due to ECL model	--	--
Items considered as amortisation expense in the P& L as per previous GAAP already adjusted in opening equity as on the transition to IND	--	--
Impact on account of measuring long term borrowings using effective rate of Interest	--	--
Equity as per IND AS	167.46	168.81

Reconciliation between financial results as previously reported under Previous GAAP and Ind AS for the year ended 31 March 2017

Rs. In Lacs

Particulars	Year ended 31stMarch 2017 (Audited)
Net profit as per Previous GAAP	-1.36
a) Impact on account of measuring long term borrowings using effective rate of Interest	0
b) Impairment of trade receivables due to ECL model	0
c) Items considered as amortisation expense in the P& L as per previous GAAP Already adjusted in opening equity as on the transition to IND AS.	0
d) Impact on account of Current & Deferred Taxes	0
Net profit as per IND AS	-1.36
Other comprehensive Income	0
Total Comprehensive Income under IND AS	-1.36

Deferred tax

Indian GAAP requires deferred tax accounting using the statement of profit and loss approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP.

2.1 Auditors Remuneration

Rs. In Lacs

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
a) Audit fees	0.50	0.50
TOTAL	0.50	0.50

3.1 Earnings per Share

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Earnings		
Profit attributable to equity holders (Rs in Lakhs)	(0.17)	(1.36)
Shares		
Number of shares at the beginning of the year	1,02,00,000	1,02,00,000
Add: Equity shares issued	-	-
Less: Buy back of equity shares	-	-
Total number of equity shares outstanding at the end of the year	1,02,00,000	1,02,00,000
Weighted average number of equity shares outstanding during the year – Diluted	1,02,00,000	1,02,00,000
Earnings per share of par value Rs.10/- – Basic (₹)	(0.002)	
	(0.013)	
Earnings per share of par value Rs.10/- – Diluted (₹)	(0.002)	(0.013)

4.1 Related Parties

There were no related party transactions during the year 2017-18.

5.1 Earnings/expenditure in foreign currency:

Expenditure in Foreign currency:

Rs. In Lacs

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Purchase of Raw Materials/Packing Materials	0.00	0.00
Other expenses	0.00	0.00
Total	0.00	0.0

Earnings in Foreign currency:

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
FOB Value of Exports	0.00	0.00
Foreign Exchange Gain	0.00	0.00
Total	0.00	0.00

6.1 Segment Reporting:

The Company concluded that there is only one operating segment i.e, developing of software products .Hence, the same becomes the reportable segment for the Company. Accordingly, the Company has only one operating and reportable segment, the disclosure requirements specified in paragraphs 22 to 30 are not applicable. Accordingly, the Company shall present entity-wide disclosures enumerated in paragraphs 32, 33 and 34 of Ind AS 108.

7.1 Income Taxes:

a. Deferred tax assets & Liabilities:

The tax effects of significant temporary differences that resulted in deferred tax assets and liabilities and a description of the items that created these differences is given below:

Rs. In Lacs

Particulars	For the Year Ended 31 March	
	2018	2017
Deferred tax assets/(liabilities):		
Property, plant and equipment	81.22	81.22
Others	-	-
Net deferred tax assets/(liabilities)	81.22	81.22

b. Movement in deferred tax assets and liabilities during the year ended 31st March 2018 & 2017:

Rs. In Lacs

Particulars	As at 1 April 2016	Recognized in statement of profit and loss	Recognized in equity	As at 31 March 2017
Deferred tax assets/(liabilities)				
Property, plant and equipment	81.22	-	-	81.22
Others	-	-	-	-
Net deferred tax assets/(liabilities)	81.22	-	-	81.22
[Continued from above table, first column(s) repeated]				

Particulars	As at 1 April 2017	Recognized in statement of profit and loss	Recognized in equity	As at 31 March 2018
Deferred tax assets/(liabilities)				
Property, plant and equipment	81.22	-	-	81.22
Others	-	-	-	-
Net deferred tax assets/(liabilities)	81.22	-	-	81.22



8.1 Contingent Liabilities and Commitments:

The following are the details of contingent liabilities and commitments:

Rs. In Lacs

Particulars	2018	2017
Contingent Liabilities		
a) Claims against the company/disputed liabilities not acknowledged as debts	0.00	0.00
b) Guarantees		
Bank Guarantees	0.00	0.00
	0.0	0.00

2.3 Investments

Rs. In Lakhs

Particulars	2018		2017		1st April 2016	
	Current	Non Current	Current	Non Current	Current	Non Current
<i>Investments at fair value through Profit or Loss A/c</i>						
<i>Investments in Quoted Equity Instruments</i>	0.00	0.00	0.00	0.00	0.00	0.00
Aggregate amount of Quoted Investments	0.00	0.00	0.00	0.00	0.00	0.00
Total Investments	0.00	0.00	0.00	0.00	0.00	0.00

2.4 Other Financial Assets

Rs. In Lakhs

Particulars	2018		2017		1st April 2016	
	Current	Non Current	Current	Non Current	Current	Non Current
Rental Deposits	0.00	0.00	0.00	0.00	0.00	0.00
Electricity and Other Security Deposits	0.00	0.00	0.00	0.00	0.00	0.00
Total Investments	0.00	0.00	0.00	0.00	0.00	0.00

2.5 Other Non Current Assets and Current Assets

Rs. In Lakhs

Particulars	2018		2017		1st April 2016	
	Current	Non Current	Current	Non Current	Current	Non Current
Prepaid Expenses	0.00	0.00	0.00	0.00	0.00	0.00
Input tax and other taxes receivables	0.00	0.00	0.00	0.00	0.00	0.00
Advance to Creditors	0.00	0.00	0.00	0.00	0.00	0.00
Advances for Capital goods/services	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	0.00	0.00	0.00	0.00	0.00	0.00

2.6 Inventories

Rs. In Lakhs

Particulars	2018	2017	1st April 2016
	Current	Current	Current
Raw materials	0.00	0.00	0.00
Work-in-progress	0.00	0.00	0.00
Traded goods	0.00	0.00	0.00
Packing materials	0.00	0.00	0.00
TOTAL	0.00	0.00	0.00

2.7 Trade receivables
Rs. In Lakhs

Particulars	2018	2017	1st April 2016
	Current	Current	Current
Trade Receivables			
Unsecured, considered good	0.00	0.00	0.00
<i>Less: Allowances for credit losses</i>	0.00	0.00	0.00
<i>Less: Provision for Doubtful Receivables</i>	0.00	0.00	0.00
TOTAL	0.00	0.00	0.00

Movement of Impairment in Trade Receivables
Rs. In Lakhs

Particulars	Amount
As at 1st April, 2016	0.00
Add: additional allowance of expected credit loss	0.00
As at 1st April, 2017	0.00
Reversal of Impairment	0.00
As at March 31, 2018	0.00

2.8 Cash and Cash Equivalents
Rs. In Lakhs

Particulars	2018	2017	1st April 2016
	Current	Current	Current
a) Cash and Cash equivalents			
i) Cash on hand	0.02	0.03	0.37
ii) Balances with banks - Current Accounts	0.00	0.00	0.00
b) Other Bank Balances (with restricted use)			
(i) Margin Money Deposit Accounts (against Bank Guarantees)	0.00	0.00	0.00
(ii) Share Application Money	0.00	0.00	0.00
Interest accrued but not due on deposits	0.00	0.00	0.00
Total	0.02	0.03	0.37

2.9 Trade receivables
Rs. In Lakhs

Particulars	2018		2017		1st April 2016	
Authorized Share Capital						
1,10,00,000 Equity Shares of Rs.10 eac (Previous year :1,10,00,000 Equity Shares of Rs.10 each)	1100.00		1100.00		1100.00	
Issued Subscribed and Paid up Share Capital						
1,02,00,000 Equity Shares of Rs.10 each, fully paid up (Previous year :1,02,00,000 Equity Shares of Rs.10 each, fully paid up)	1020.00		1020.00		1020.00	
	1020.00		1020.00		1020.00	
Details of shareholders holding	No. of shares	% Holding	No. of shares	% Holding	No. of shares	% Holding
None of the Shareholder has Shareholding exceeding 5% during the Current year (Previous year :Nil)						

2.11.1 Reconciliation of Number of Shares :
Rs. In Lakhs

Particulars	2018	2017	1st April 2016
Number of Shares at the beginning of the year	102.00	102.00	102.00
Add : Shares issued during the year	0.00	0.00	-
Less:Reduction in shares	0.00	0.00	-
Number of Shares at the end of the year	102.00	102.00	102.00

2.11.2 Rights attached to equity shares

“The Company has only one class of equity shares having a face value of Rs.10 /- each. Each holder of equity share is entitled to one vote per share.

In the event of liquidation of the Company, the equity shareholders will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.”

2.13 Other Equity
Rs. In Lakhs

Particulars	2018	2017	1st April 2016
General Reserve			
Opening Balance	0.00	0.00	0.00
Add: Transfers during the year	0.00	0.00	0.00
	0.00	0.00	0.00
Capital Reserve			
Opening Balance	0.00	0.00	0.00
Add: Transfers during the year	0.00	0.00	0.00
	0.00	0.00	0.00
Securities Premium			
Opening Balance	0.00	0.00	0.00
Add: Premium received on issue of Shares	0.00	0.00	0.00
	0.00	0.00	0.00
Money Received against Share Warrants			
Opening Balance	0.00	0.00	0.00
Add: Received in Current year	0.00	0.00	0.00
	0.00	0.00	0.00
Retained Earnings			
Opening Balance	(852.54)	(851.18)	(927.45)
Add: Net profit transferred from the Statement of Profit and Loss	(0.17)	(1.36)	76.27
	(852.71)	(852.54)	(851.18)
Adjustments:			
Deferred Tax	-	-	0.00
Net change in fair value of FVTPL investments and others	-	-	0.00
	-	-	0.00
Closing Balance	(852.71)	(852.54)	(851.18)
Total	(852.71)	(852.54)	(851.18)

2.8 Borrowings
(Rs.in Lakhs)

Particulars	2018		2017		April 1, 2016	
	Current	Non Current	Current	Non Current	Current	Non Current
Secured Borrowings:						
Vijaya Bank Term Loan	0.00	0.00	0.00	0.00	0.00	0.00
Vijaya Bank Mortgage Loan	0.00	0.00	0.00	0.00	0.00	0.00
Punjab National Bank Over Draft	0.00	0.00	0.00	0.00	0.00	0.00
Working Capital Facilities	0.00	0.00	0.00	0.00	0.00	0.00
Unsecured Borrowings	0.00	0.00	0.00	0.00	0.00	0.00
Total	0.00	0.00	0.00	0.00	0.00	0.00

2.9 Deferred Tax Liabilities/Deferred Tax Asset
(Rs.in Lakhs)

Particulars	2018	2017	April 1, 2016
Opening Balance of DTA/(DTL)	81.22	81.22	81.22
Add : On account of IND AS Adjustment	0.00	0.00	0.00
Less : On account of depreciation	0.00	0.00	0.00
Closing Balance	81.22	81.22	81.22

2.9 Deferred Tax Liabilities/Deferred Tax Asset
(Rs.in Lakhs)

Particulars	2018	2017	April 1, 2016
Salaries and employee benefits	0.38	0.73	1.02
Withholding and other taxes payable	0.00	0.00	0.00
Audit fee Payable	1.50	1.00	0.50
Other Payables	4.57	4.57	3.75
Total	6.45	6.29	5.27

2.11 Trade Payables
(Rs.in Lakhs)

Particulars	2018 Current	2017 Current	April 1, 2016 Current
Due to Micro & Small Enterprises			
Dues to others			
For Raw material	0.00	0.00	0.00
For Services	0.00	0.00	0.00
Total	0.00	0.00	0.00

2.12 Other financial liabilities
(Rs.in Lakhs)

Particulars	2018 Current	2017 Current	April 1, 2016 Current
Creditors For Capital goods	0.00	0.00	0.00
Total	0.00	0.00	0.00

2.13 Provisions
(Rs.in Lakhs)

Particulars	2018		2017		April 1, 2016	
	Current	Non Current	Current	Non Current	Current	Non Current
Provision for Gratuity	-	-	-	-	-	-
Provision for Tax	-	-	-	-	-	-
Total	0.00	0.00	0.00	0.00	0.00	0.00

2.14 Revenue from operations
(Rs.in Lakhs)

Particulars	2018	2017
Revenue from :		
Export Sales	0.00	0.00
Domestic Sales	4.99	5.85
Other Operating Revenue	0.00	0.00
Revenue from operations	4.99	5.85

**2.15 Other income****(Rs.in Lakhs)**

Particulars	2018	2017
Interest Income	0.00	0.00
Foreign Exchange Gain	0.00	0.00
Miscellaneous Income	0.00	0.00
Total	0.00	0.00

2.16 Cost of materials consumed**(Rs.in Lakhs)**

Particulars	2018	2017
Raw Material		
Purchases	2.60	3.14
Add: Opening Stock	0.00	0.00
	2.60	3.14
Less: Closing Stock	0.00	0.00
	2.60	3.14

2.17 Changes in inventories**(Rs.in Lakhs)**

Particulars	2018	2017
Work-in-progress		
Opening	0.00	0.00
Closing	0.00	0.00
	0.00	0.00
	0.00	0.00

2.18 Employee benefits expense**(Rs.in Lakhs)**

Particulars	2018	2017
Salaries and Wages	1.20	2.42
Contribution to provident and other funds	0.00	0.00
Staff welfare	0.07	0.58
	1.27	3.00

2.19 Finance costs**(Rs.in Lakhs)**

Particulars	2018	2017
Interest Expense	0.00	0.00
Other borrowing costs	0.00	0.00
	0.00	0.00

2.20 Other expenses

(Rs.in Lakhs)

Particulars	2018	2017
AMC Charges	0.00	0.00
Audit Fees	0.50	0.50
Lodging & Boarding Expenses	0.06	0.05
Vehicle Hire Charges	0.00	0.00
Fees Renewals, Rates and Taxes	0.00	0.00
Duties & Taxes	0.00	0.00
Consultancy & Professional Charges	0.00	0.00
Conveyance	0.00	0.00
Office Expenses	0.03	0.05
Postage, Courier & Email Charges	0.01	0.01
Insurance	0.00	0.00
Rent	0.36	0.36
Printing & Stationery	0.04	0.01
Telephone and Communication Expenses	0.02	0.03
Security Charges	0.00	0.00
Other Miss Expenses	0.26	0.07
	1.29	1.07

1. Corporate Information

Baron Infotech Limited (“the Company”) domiciled in India and incorporated under the provisions of the Companies Act 1956. The Shares of the company are listed on Bombay Stock Exchange. The company is carrying the Business of developing, maintain, support, Produce, Sell, Distribute, Import, Export or otherwise deal in Computer Software, Hardware. The principal accounting policies applied in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2. Basis of Preparation and Presentation of Financial Statements

The financial statements of Baron Infotech Limited (“the Company”) have been prepared and presented in accordance with the Indian Accounting Standards (“Ind AS”) notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. For all periods up to and including the year ended 31 March 2018, the Company prepared its financial statements in accordance with accounting standards notified under Section 133 of the Companies Act 2013, read with Rule 7 of Companies (Accounts) Rules, 2014. These are the company’s first annual financial statements prepared in accordance with Indian Accounting Standards (Ind AS). The Company has adopted all applicable standards and the adoption was carried out in accordance with Ind AS 101 – ‘First Time Adoption of Indian Accounting Standards’. An explanation of how the transition to Ind AS has affected the reported financial position, financial performance and cash flows of the Company are provided in Note number 2.21 First Time Adoption.

3. Basis of Measurement

These financial statements have been prepared on the historical cost convention and on an accrual basis, except for the following material items in the balance sheet:

- All assets and liabilities are classified into current and non-current based on the operating cycle of less than twelve months or based on the criteria of realisation/settlement within twelve months period from the balance sheet date.

4. Accounting Estimates

The preparation of the financial statements, in conformity with the recognition and measurement principles of Ind AS, requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the results of operation during the reported period. Although these estimates are based upon management’s best knowledge of current events and actions, actual results could differ from these estimates which are recognised in the period in which they are determined.

- a. Depreciation and amortization: Depreciation and amortization is based on management estimates of the future useful lives of certain class of property, plant and equipment and intangible assets.
- c. Provision and contingencies: Provisions and contingencies are based on the Management's best estimate of the liabilities based on the facts known at the balance sheet date.

5. Functional and presentation currency

These financial statements are presented in Indian rupees, which is also the functional currency of the Company. All financial information presented in Indian rupees has been rounded to the nearest Lakhs.

6. Foreign Exchange Transactions

Foreign currency transactions are accounted at the exchange rates prevailing on the date of transactions. Gains and losses resulting from settlement of such transactions are recognized in the Statement of Profit and Loss. Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year are translated at year end rates. The difference in translation of monetary assets and liabilities and realised gains and losses on foreign exchange transactions are recognised in the Statement of Profit and Loss.

7. Property, plant and equipment

Transition to Ind AS

The Company has elected to continue with the net carrying value of all its property, plant and equipment recognized as of April 1, 2016 (transition date) as per the previous GAAP and use that carrying value as its deemed cost.

Recognition and measurement

Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. The cost of Property, plant and equipment comprises of purchase price, applicable duties and taxes, directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets, upto the date the asset is ready for its intended use. "The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is required to be included in the cost of the respective item of property plant and equipment" and "Cost of major inspections is recognized in the carrying amount of property, plant and equipment as a replacement, if recognition criteria are satisfied and any remaining carrying amount of the cost of previous inspection is derecognized.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in profit or loss.

An asset will be treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the profit and loss account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of the recoverable amount.

8. Intangible Assets

Identifiable intangible assets are recognised at cost and when it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be reliably measured. The asset is reviewed at the end of each reporting period is tested for impairment.

9. Depreciation and Amortization

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost less its estimated residual value. Depreciation on Property, Plant and equipment has been provided on the Written down value method as per the useful life prescribed in Schedule II to the Companies Act, 2013 considering the nature of asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, maintenance, etc.

The intangible asset is tested for impairment and is reviewed at each financial year end.

10. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A. Financial Assets

1) Initial Recognition

In the case of financial assets, not recorded at fair value through profit or loss (FVPL), financial assets are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

2) Subsequent Measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

a) Financial Assets at Amortised Cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model with an objective to hold these assets 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. Interest income from these financial assets is included in finance income using the effective interest rate (“EIR”) method. Impairment gains or losses arising on these assets are recognised in the Statement of Profit and Loss.

b) Financial Assets Measured at Fair Value

Financial assets are measured at fair value through OCI if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows or to sell these 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. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss.

Financial asset not measured at amortised cost or at fair value through OCI is carried at FVPL. On transition to Ind AS, the Company has opted to continue with the carrying values measured under the previous GAAP as at 1 April 2016.

c) Impairment of Financial Assets

In accordance with Ind AS 109, expected credit loss (ECL) model for measurement and recognition of impairment loss on the trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18. As Company trade receivables are realised within normal credit period adopted by the company, hence the financial assets are not impaired.

d) De-recognition of Financial Assets

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

B. Financial Liabilities

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Financial Liabilities

1) Initial Recognition

Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL, loans and borrowings and payables as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

2) Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below:

a) Financial liabilities at FVPL

Financial liabilities at FVPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

b) Financial liabilities at amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the Statement of Profit and Loss.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

3) De-recognition of Financial Liabilities

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

10. Inventories

Inventories consist of goods and are measured at the lower of cost and net realisable value. The cost of inventories is based on the weighted average method. In the case of finished goods and work-in-progress, cost includes an appropriate share of overheads based on normal operating capacity. Packing materials are used in operating machines or consumed as indirect materials in the manufacturing process.

11. Impairment of non-financial assets

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.

12. Cash and Cash Equivalents

Cash and bank balances comprise of cash balance in hand, in current accounts with banks.

13. Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of obligation. Provisions (excluding gratuity and

compensated absences) are determined based on management's estimate required to settle the obligation at the Balance Sheet date. In case the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

14. Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and is recognised when it is probable that the economic benefits associated with the transaction will flow to the Company and the amount of income can be measured reliably. Revenue is net of returns and is reduced for rebates, trade discounts, refunds and other similar allowances. Revenue is net of service tax, sales tax, value added tax and other similar taxes and GST from July 01, 2017.

Other Income

Other income includes Interest income, Foreign Exchange Gain and other miscellaneous receipts if any.

15. Borrowing Costs

Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Also, the EIR amortisation is included in finance costs.

16. Income Tax **Current Tax**

Current income tax is recognised based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the Income Tax Act, 1961. Current income tax assets and liabilities 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, at the reporting date.

Deferred Tax

Deferred tax is determined by applying the Balance Sheet approach. Deferred tax assets and liabilities are recognised for all deductible temporary differences between the financial statements' carrying amount of existing assets and liabilities and their respective tax base. Deferred tax assets and liabilities are measured using the enacted tax rates or tax rates that are substantively enacted at the Balance Sheet date. The effect on deferred tax assets and liabilities of a change in tax rates is recognised in the period that includes the enactment date. Deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Such assets are reviewed at each Balance Sheet date to reassess realisation.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

17. Earnings Per Share

The Company presents basic and diluted earnings per share (“EPS”) data for its ordinary shares. Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

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Baron Infotech Limited

CIN : L72200TG1996PLC025855

Registered Office : 1-8-313, 4th Floor, Linus Building,
Chiran Fort Lane, Begumpet, Secunderabad - 03

• E-mail :info@baroninfotech.com • Website : www.baroninfotech.com

ADMISSION SLIP

DATE

Saturday,, 29th
September, 2018

VENUE

504, Micasa Flora,
Durga Enclave, Kompally,
Secunderabad-14

TIME

9.30 A.M.

Name & Address of Member

Serial No. :

I certify that I am a Member / Proxy for the Member holding _____ shares.

Please (√) in the box

◆ Member

◆ Proxy

Name of the Proxy in Block Letters

Signature of Member / Proxy attending

NOTES: i) Member / Proxy attending the Annual General Meeting (AGM) must bring his / her Admission Slip which should be signed and deposited before entry into the venue .

ii) Duplicate Admission Slip will not be issued at the venue.

ELECTRONIC VOTING

Electronic voting (e-voting) facility is being provided in respect of the Resolutions proposed at the 18th AGM, in accordance with Section`108 of the Companies Act, 2013 read with Rule`20 of the Companies (Management and Administration) Rules, 2014. Please see Note (12) to the Notice dated 14th August, 2018, convening the AGM for the procedure with respect to e-voting.



Baron Infotech Limited

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• E-mail :info@baroninfotech.com • Website : www.baroninfotech.com

Form No.MGT-11

PROXY FORM

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

CIN	L72200TG1996PLC025855	
Name of the Company	Baron Infotech Limited	
Registered Office	1-8-313, 4th Floor, Linus Building, Chiran Fort Lane, Begumpet, Secunderabad - 03	
Name of the member(s)		
Registered Address		
E-mail Id		
Folio No./Client ID	DP ID	

I / We, being the Member(s) of _____ shares of Baron Infotech Limited, hereby appoint

(1) Name : _____ Address : _____

E-mail ID : _____ Signature : _____ r failing him

(2) Name : _____ Address : _____

E-mail ID : _____ Signature : _____ r failing him

(3) Name : _____ Address : _____

E-mail ID : _____ Signature : _____ r failing him

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 21st Annual General Meeting (AGM) of the Company to be held on Saturday, the 29th day of September, 2018 at 9.30 a.m.at 504, Micasa Flora, Durga Enclave, Kompally, Secunderabad-14, and at any adjournment thereof in respect of such resolutions as are indicated below:



Resolution Number	Description	Optional (√)	
		For	Against
Ordinary Business			
1	Adoption of Audited Accounts for the financial year ended 31st March, 2018, the Balance Sheet as at that date and the Reports of the Directors and Auditors thereon.		
2	Appointment of Mr.S.Pavan Nandan (DIN: 02187696) who retires by rotation and offers himself for re-appointment.		

Signed this day of 2018. Signature of shareholder:

Affix Revenue

NOTE : This form of proxy, in order to be effective, should be duly completed and deposited at Stamp the Registered Office of the Company not less than 48 hours before the commencement of the AGM i.e. by 11 a.m. on 27th September, 2018.

If undelivered please return to:

BARON INFOTECH LIMITED

Regd. Office: 1-8-313, 4th Floor,
Linus Building, Chiran Fort Lane, Begumpet,
Secunderabad – 500 003.