

Baron Infotech Limited



22ND ANNUAL REPORT

2018-19

CORPORATE INFORMATION

BOARD OF DIRECTORS	Mr. Surampudi Pavan Nandan, Chairman & Whole-time Director Mr. Dutta Chandra Subhash, Independent Director Ms. Kamala Kumari Nadimpally, Independent Director Mr. Vishnu Vardhan Reddy Billa, Independent Director Mr. Pokuri Srinivasa Rao, Independent Director
BOARD COMMITTEES	<p>Audit Committee: Ms. Kamala Kumari Nadimpally, Chairperson Mr. Dutta Chandra Subhash Mr. Vishnu Vardhan Reddy Billa</p> <p>Nomination and Remuneration Committee: Mr. Pokuri Srinivasa Rao, Chairperson Mr. Dutta Chandra Subhash Mr. Vishnu Vardhan Reddy Billa</p> <p>Stakeholders' Grievance Committee: Mr. Dutta Chandra Subhash, Chairperson Mr. Surampudi Pavan Nandan Mr. Pokuri Srinivasa Rao</p>
STATUTORY AUDITORS	M/s NSVR & Associates LLP , Chartered Accountants, Flat No.: 202, Plot No.: 28, Panchavati Co-op. Society, Road No.: 10, Banjara Hills, Hyderabad- 500034
SECRETARIAL AUDITORS	M/s P.S. Rao & Associates , Company Secretaries, D. No.: 6-3-347/22/2, Flat No.: 10, 4 th Floor, Ishwarya Nilayam, Dwarakapuri Colony, Panjagutta, Hyderabad- 500082
REGISTERED OFFICE	<p>Registered Office: 1-8-313, 4th Floor, Linus Building, Chiran Fort Lane, Begumpet, Secunderabad, Hyderabad – 500003 CIN: L72200TG1996PLC025855 Website: www.baroninfotech.com E-mail: info@baroninfotech.com Tel.: +91 040 32492514</p>
BANKERS	Axis Bank Limited , Banjara Hills, Road No. 1, Hyderabad
REGISTRAR & SHARE TRANSFER AGENTS	Venture Capital and Corporate Investments Private Limited , 12-10-167, Bharat Nagar, Hyderabad- 500018



NOTICE

Notice is hereby given that the 22nd Annual General Meeting of the members of Baron Infotech Limited will be held on Monday, the 30th of September, 2019 at 09:30 A.M. at 504, Micasa Flora, Durga Enclave, Kompally, Secunderabad – 500014 to transact the following business:

Ordinary Business:

Item No. 1:

Adoption of Financial Statements

To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2019, together with the reports of the Board of Directors and Auditors thereon.

Item No. 2:

Re-appointment of Director

To appoint a Director in place of Mr. Surampudi Pavan Nandan (DIN: 02187696) who retires by rotation, and being eligible, offers himself for re-appointment.

Special Business:

Item No. 3:

Re-appointment of Mr. Dutta Chandra Subhash as an Independent Director of the Company

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

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, read with Schedule IV to the Companies Act, 2013 (“the Act”); the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulations 17, 25 and other applicable provisions, if any, of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Mr. Dutta Chandra Subhash (DIN: 02221641), who was appointed as an Independent Director at the 17th Annual General Meeting to hold office up to 29th December, 2019 and who is eligible for re-appointment and who meets the criteria of independence as specified in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a Notice in writing from a member under Section 160(1) proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five consecutive years, i.e., up to 29th December 2024.”

By order of the Board of Directors

Sd/-

Surampudi Pavan Nandan
Whole-time Director

Place: Hyderabad
Date : 14th August, 2019

Notes:

1. A statement, pursuant to Section 102(1) of the Companies Act, 2013 (“the Act”), relating to the Special Business to be transacted at the Annual General Meeting (“the Meeting”) is annexed hereto.
2. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote on a poll on his behalf and such proxy need not be a member of the Company.

A person can act as a proxy on behalf of members not exceeding 50 and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy of any other member.

3. The instrument of proxy, in order to be effective, must be deposited at the registered office of the Company not later than FORTY-EIGHT HOURS before the commencement of the Meeting.
4. Corporate members intending to send their authorized representative(s) to attend the Meeting are requested to send the Company a certified true copy of the relevant Board Resolution together with the specimen signature(s) of the representative(s) authorized under the said Board Resolution to attend and vote on their behalf at the Meeting.
5. Members holding shares in physical form may obtain nomination forms from the Company’s Registrar & Share Transfer Agent (RTA) and members holding shares in electronic form may obtain the same from their respective Depository Participants.
6. Members holding shares in physical form may write to the Company’s 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.
7. Members holding shares in identical order of names in more than one folio are requested to write to the Company’s RTA enclosing their certificates to enable consolidation of their shareholdings in one folio.
8. The Securities and Exchange Board of India (“the SEBI”) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding

shares in electronic form are, therefore, requested to submit their PAN details to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or its RTA.

9. The SEBI has also mandated that securities of listed companies can be transferred only in dematerialized form w.e.f 01st April, 2019. Accordingly, the Company's RTA has stopped accepting any fresh lodgment of transfer of shares in physical form. Members holding shares in physical form are advised to avail the facility of dematerialization.
10. Members, Proxies and Authorized representatives are requested to bring the duly filled Attendance Slip attached herewith and their copies of the Annual Report to the Meeting. Copies of Annual Report will not be provided at the Meeting.
11. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 and the Register of contracts or arrangements in which directors are interested, maintained under Section 189 of the Act, will be available for inspection by the members at the Company's registered office during normal business hours on working days, as well as at the venue of the Meeting.
12. The Register of members and Share Transfer Books will remain closed from 22nd September, 2019 to 30th September, 2019 (both days inclusive) in connection with the Annual General Meeting (AGM).
13. As part of the 'Green Initiative', the Notice of the 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 Participant(s) unless the Members have registered their request for a hard copy of the same. Physical copy of the Notice of the AGM, Annual Report and Attendance Slip are being sent to those members who have not registered their e-mail IDs with the Company or the 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 the duly filled Attendance Slip at the registration counter to attend the AGM.
14. Members may also kindly note that the Notice of the 22nd Annual General Meeting and the Annual Report for the FY 2018-19 are available on the Company's website: www.baroninfotech.com. The physical copies of the Notice, along with its accompanying documents and the Explanatory Statement pursuant to Section 102(1) of the Act, 2013, are also available at the Company's registered office for inspection during normal business hours on working days. Members desiring any information or having any queries may write to the Company at: info@baroninfotech.com.

15. Retirement of Director by rotation:

Mr. Surampudi Pavan Nandan, Whole-time Director of the Company, retires by rotation at the ensuing AGM and being, eligible, offers himself for re-appointment.

The Board of Directors commends the re-appointment of Mr. Surampudi Pavan Nandan as a Director, liable to retire by rotation.

16. Please refer to the following detailed instructions on the modes of voting:

A. Voting through electronic means:

In accordance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is providing the members facility to exercise their right to vote electronically, through the e-voting services provided by the National Securities Depository Limited (NSDL).

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

1. Open the attached PDF file 'Baron_AR_18-19.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, 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 homepage 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 the '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 a resolution is cast, the member shall not be allowed to change it subsequently.
12. Institutional shareholders (i.e. other than individuals, HUFs, NRIs, 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 csvnitha19@gmail.com, with a copy marked to evoting@nsdl.co.in.
13. The voting period begins on 27-09-2019 (09:00 A.M.) and ends on 29-09-2019 (05:00 P.M.). During this period, shareholders of the Company, holding shares either in physical mode or in dematerialized mode, as on 24th September, 2019 (**cut-off date**) may cast their vote accordingly. 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 to the Frequently Asked Questions (FAQs) and the e-voting manual available at www.evoting.nsdl.com. Alternatively, you may write an email to the mail ID: evoting@nsdl.co.in.

B. Other instruction:

1. 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 24th September, 2019.
2. Mrs. N. Vanitha, Practicing Company Secretary (C.P. No.: 10573), has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
3. Kindly note that Members are requested to opt for one mode of voting, i.e., voting 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.
4. The Scrutinizer will, immediately after the conclusion of voting at the AGM, first count the votes cast at the meeting through Ballot Papers and will collate the same with the votes downloaded .



5. from the e-voting system to arrive at the final result for each of the resolutions forming part of the Notice of the AGM of the Company. Thereafter, the scrutinizer will submit, not later than 48 hours

from the conclusion of the AGM, a consolidated Scrutinizer's Report on the total votes cast in favour of or against, if any, the resolutions to the Chairman or a person authorized by him in writing who will countersign the same. The Chairman or the person authorized by him in writing will declare the result of voting forthwith.

6. 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 shares of the Company are listed, i.e. BSE Limited.

7. Members may address any query to Mr. Dutta Chandra Subhash, Compliance Officer, at the e-mail address: info@baroninfotech.com; Website: www.baroninfotech.com.

By order of the Board of Directors

Sd/-

Surampudi Pavan Nandan
Whole-time Director

Place: Hyderabad
Date : 14th August, 2019

Registered Office:

1-8-313, 4th Floor, Linus Building,
Chiran Fort Lane, Begumpet,
Secunderabad, Hyderabad – 500003
CIN: L72200TG1996PLC025855
Website: www.baroninfotech.com
E-mail: info@baroninfotech.com
Tel.: +91 040 32492514

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 READ WITH RULE 15(3) OF THE COMPANIES (MEETINGS OF BOARD AND ITS POWERS) RULES, 2014

Item No. 3:

At the 17th Annual General Meeting of the Company held on 30th December, 2014, the members of the Company had appointed Mr. Dutta Chandra Subhash (DIN: 02221641) as an Independent Director of the Company for a term of five years to hold office up to 29th December, 2019.

The Nomination and Remuneration Committee (NRC), on the basis of the report of annual performance evaluation, has recommended re-appointment of Mr. Dutta Chandra Subhash as an Independent Director on the Board of the Company, for a second term of five years.

The Board, based on the performance evaluation and as per the recommendation of the NRC, considers that the continued association of Mr. Dutta Chandra Subhash would be beneficial to the Company. Accordingly, it is proposed to re-appoint Mr. Dutta Chandra Subhash as an Independent Director of the Company, not liable to retire by rotation, for a second term of five consecutive years.

Mr. Dutta Chandra Subhash is not disqualified from being appointed as a director in terms of Section 164 of the Companies Act, 2013, and has given his consent to act as a Director of the Company.

The Company has received a notice from a member of the Company, in terms of Section 160 of the Companies Act, 2013 ("the Act") proposing the candidature of Mr. Dutta Chandra Subhash for the office of Independent Director of the Company.

The Company has also received a declaration from Mr. Dutta Chandra Subhash that he meets the criteria of independence as stated in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations.

In the opinion of the Board, Mr. Dutta Chandra Subhash fulfills the conditions for appointment as an Independent Director as specified in the Act and the Listing Regulations. Mr. Dutta Chandra Subhash is independent of the management of the Company.

Pursuant to the provisions of Regulation 36(3) of the Listing Regulations and the Secretarial Standard on General Meetings (SS-II), the profile of Mr. Dutta Chandra Subhash is provided in the **Annexure** to this Notice.

Copy of draft letter of appointment of Mr. Dutta Chandra Subhash setting out the terms and conditions of appointment is available for inspection by the members free of cost at the registered office of the Company.

Except Mr. Dutta Chandra Subhash, being the appointee director, and his relatives (to the extent they hold shares in the Company, if any), none of the Directors/ Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

The Board of Directors commends the Special Resolution set out at Item No. 3 of the Notice for approval by the members.

Annexure

Details of Directors seeking appointment/ re-appointment, pursuant to the provisions of Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and as per Secretarial Standards on General Meetings:

a.	Name	Mr. Surampudi Pavan Nandan	Mr. Dutta Chandra Subhash
b.	Brief Resume		
i.	Age	47 years	49 years
ii.	Qualification	Bachelor of Laws (B.L)	Bachelor of Science (B.Sc)
iii.	Nature of expertise and experience in specific functional areas	Over two decades of experience in handling legal and regulatory matters.	Expert in the field of Information Technology having 25+ years of experience in developing software applications
c.	Date of first appointment on the Board of the Company	03.05.2010	03.05.2010
d.	Last remuneration drawn	Nil	Nil
e.	Relationship with other Director(s), Manager(s) or KMP(s) of the Company	Nil	Nil
f.	Shareholding in the Company	Nil	Nil
g.	Terms and Conditions of appointment/ re-appointment along with details of remuneration sought to be paid	Whole-time Director liable to retire by rotation. Terms of remuneration as approved by the Board from time to time.	Appointed as Independent Director for a second term of five years effective from 30 th September, 2019 to 29 th September, 2024. Remuneration (by way of sitting fees or profit-related commission) sought to be paid: NIL
h.	Number of meetings of the Board attended during the year	4	4
i.	Names of other companies in which directorship is held (excluding foreign and Section 8 companies)	Nil	Nil
j.	Names of other companies in which Committee Membership(s)/ Chairmanship(s) is held	Nil	Nil

DIRECTORS' REPORT

Dear members,

Your Directors are pleased to present the 22nd Annual Report of Baron Infotech Limited (“the Company”) along with the financial statements for the financial year ended 31st March, 2019.

FINANCIAL SUMMARY:

The financial performance of the Company for the financial year ended 31st March, 2019 is summarized below:

(Rs. In lakhs)

Particulars	For the year ended	
	31.03.2019	31.03.2018
Total income for the year	5.48	4.99
Profit before Finance Costs and Exceptional Items	(7.80)	(0.17)
Less: (a) Current Tax	-	-
(b) Deferred Tax	13.54	-
Net Profit for the year	(21.34)	(0.17)
Total other Comprehensive Income for the year	0.00	0.00
Total Comprehensive Income for the year	(21.34)	(0.17)

STATE OF AFFAIRS/ REVIEW OF OPERATIONS:

The Company has been in the process of developing solutions. Some of the applications developed have been given to customers for exploring market possibilities. The Company is expecting revenues to be generated on the successful launch of any such application. Till then, the amount spent in developing and marketing such applications is being treated as expense.

SUBSIDIARIES/ ASSOCIATE COMPANIES/ JOINT VENTURES:

The Company has no subsidiaries/ associate companies/ joint ventures; a statement pertaining to the same, in form AOC-1, is enclosed to this Report as **Annexure - IV**.

DIVIDEND:

In the absence of profits, your Directors do not recommend any dividend for the financial year 2018-19.

RESERVES:

In the absence of profits, no amount is proposed to be carried to the General Reserve of the Company.

CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL:

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Surampudi Pavan Nandan, Managing Director of the Company, retires by rotation at the ensuing Annual General Meeting (AGM). The Board of Directors, on the recommendation of the Nomination and Remuneration Committee (NRC) recommends his appointment.

The term of office of Mr. Dutta Chandra Subhash as an Independent Director of the Company expires on 29th December, 2019. The Board of Directors, based on the performance evaluation and the recommendation of the NRC considers that the continued association of Mr. Dutta Chandra Subhash on the Board would be beneficial to the Company and accordingly, recommends the re-appointment of Mr. Dutta Chandra Subhash as an Independent Director of the Company for a second term of five consecutive years, to hold office up to 29th September, 2024.

DIRECTORS' RESPONSIBILITY STATEMENT:

Your Directors' state that:

- i. in preparation of the annual accounts for the financial year 2018-19, the applicable accounting standards read with the requirements set out in Schedule III to the Act have been followed and proper explanation relating to material departures therefrom, if any, have been provided;
- ii. they have selected such accounting policies and applied them consistently and have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2019 and of the profit and loss of the Company for that period;
- iii. they have taken proper and sufficient care for the 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;
- iv. they have prepared the annual accounts on a going concern basis; and

- v. they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively.

DECLARATION OF INDEPENDENT DIRECTORS:

All the Independent Directors of the Company have given declarations, pursuant to Section 149(7) of the Companies Act, 2013 (“the Act”), affirming that they meet the criteria of independence as set out in Section 149(6) of the Act and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing obligation and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”).

POLICY ON DIRECTORS’ APPOINTMENT, REMUNERATION AND OTHER MATTERS:

Pursuant to the provisions of Section 178(3) of the Act, the Board of Directors has, on the recommendation of the Nomination and Remuneration Committee (NRC), formulated a ‘Nomination and Remuneration Policy’ for determining the qualifications, positive attributes and independence of directors, as well as the remuneration to be paid to directors, key managerial personnel and other employees.

The Nomination and Remuneration Policy of the Company is disclosed in **Annexure – III** to this Report.

FORMAL ANNUAL PERFORMANCE EVALUATION:

The Board of Directors has carried out an annual evaluation of its own performance, as well as that of its Committees and individual Directors pursuant to the provisions of the Sections 134, 178 and Schedule IV to the Act. A structured set of criteria was adopted after taking into consideration inputs received from the directors, covering various aspects of the Board’s functioning such as adequacy of the composition of the Board and its Committees, execution and performance of specific duties by the Board of Directors, independence governance, ethics and values, attendance and contribution at meetings, etc.

Pursuant to the provisions of Regulation 17 read with Schedule V to the Listing Regulations, the performance of the Independent Directors was evaluated by the Board after seeking inputs from all the directors on the effectiveness and contribution of the Independent Directors.

The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members based on criteria such as the composition of Committees, effectiveness of Committee meetings, etc.

The Board and the Nomination and Remuneration Committee (NRC) reviewed and evaluated the performance of the individual Directors on the basis of criteria such as their preparedness on the issues to

be discussed in the Board and Committee meetings, meaningful and constructive inputs provided and contribution made by them therein, etc.

In a separate meeting of the Independent Directors held on 13th February, 2019, the performance of Non-Independent Directors, the Board as a whole and the Chairman of the Board was evaluated, taking into account the views of executive directors and non-executive directors, excluding the director being evaluated. The Independent Directors also evaluated the quality, quantity and timeliness of flow of information between the Company's management and the Board which enables the Board to perform its functions reasonably and effectively.

NUMBER OF MEETINGS OF THE BOARD:

Regular meetings of the Board were held during the year to discuss and decide on various business policies and strategies. The Board of Directors met four times during the year 2018-19. The particulars of meetings held and attended by each of the Directors are detailed in the Corporate Governance Report forming part of this Report.

PARTICULARS OF EMPLOYEES:

By virtue of having carried out limited operations during the year under review, no permanent employees were employed by the Company during the said period. Likewise, no remuneration was paid to the Director(s). Hence, the particulars as stipulated under Section 197(12) of the Companies Act, 2013 ("the Act") read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not being disclosed.

The statement, pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, showing the names & other details of the top ten employees of the Company in terms of remuneration drawn and such other employees drawing remuneration in excess of the amount prescribed under such Rules is not required to be furnished as, like stated hereinabove, the Company had no permanent employees on its rolls during the year under review, and resultantly, no employee was in receipt of remuneration exceeding the prescribed limits.

VIGIL MECHANISM:

In terms of Section 177(9) of the Companies Act, 2013, the Company has established a vigil mechanism for directors and employees to report genuine concerns of violations and illegal or unethical behavior. The vigil mechanism provides for adequate safeguards against victimization of employees and directors who avail mechanism and also provides direct access to the Chairman of the Audit Committee in appropriate or exceptional cases.

RISK MANAGEMENT POLICY:

The Board of Directors has framed and adopted a Risk Management Policy that identifies various elements of risks which, in its opinion, may threaten the existence of the Company, as well as contains measures to control and mitigate the same.

CORPORATE SOCIAL RESPONSIBILITY:

As the Company did not fall under the purview of sub-section (1) of Section 135 of the Companies Act, 2013 during the year under review, the provisions of Corporate Social Responsibility (CSR) as set out under the said Section were not applicable to it and accordingly, it has not made any contributions towards CSR activities.

PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE:

The Company is committed to provide a work environment that ensures every employee is treated with dignity, respect and afforded equal treatment and has zero tolerance towards sexual harassment at the workplace.

The requirement of constituting an Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder is not applicable to the Company. However, if necessary, the Company would adopt a policy for prevention of Sexual Harassment in line with the said provisions.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Particulars of loans granted, guarantees given, securities provided and investments made by the Company during the year are provided in the Notes to financial statements which may be read as a part of this Report.

RELATED PARTY TRANSACTIONS:

In terms of Sections 188(2) and 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014, the particulars of contracts or arrangements with related parties during the year 2018-19 are detailed in form AOC-2 forming part of this Report as **Annexure - V**.

The related party disclosures as specified in Regulation 34(3) read with Para A of Schedule V to the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations ("the Listing Regulations") are enclosed to this Report as **Annexure - VI**.

EXTRACT OF ANNUAL RETURN:

In accordance with the provisions of Section 92 read with Section 134(3)(a) of the Companies Act, 2013, an extract of Annual Return in form MGT-9 is enclosed as **Annexure - I** to this Report.

CORPORATE GOVERNANCE:

A Report on Corporate Governance as stipulated under Regulation 34(3) containing the matters specified in Para C of Schedule V to the Listing Regulations forms part of this Report as **Annexure - II**. The requisite certificate from the Auditors of the Company confirming compliance with the conditions of Corporate Governance is attached to the said Corporate Governance Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

The Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34(2) of the Listing Regulations is presented as **Annexure – VIII** to this Report.

AUDITORS:**Statutory Auditors:**

NSVR & Associates LLP, Chartered Accountants (Firm Registration No.: 008801S/S200060), were appointed as the Statutory Auditors of the Company in the 18th Annual General Meeting of the Company held on 30th September, 2015 to hold office for a period of five years till the conclusion of the 23rd Annual General Meeting. The Auditors have submitted a declaration confirming that they are not disqualified from continuing as the Auditors of the Company.

The Auditor's Report on the financial statements of the Company for the financial year ended 31st March, 2019 does not contain any reservation, qualification or adverse remark and their Report, together with notes to financial statements are self-explanatory, thereby not requiring any further comments of the Board of Directors on the same.

Secretarial Auditors:

In accordance with the provisions of Section 204 of the Companies Act, 2013, the Board of Directors, pursuant to the recommendations of the Audit Committee, had appointed M/s P.S. Rao & Associates, Company Secretaries, to conduct the Secretarial Audit of the Company for the financial year 2018-19.

The Secretarial Audit Report for the financial year 2018-19 issued by the Statutory Auditors is enclosed herewith as **Annexure – VII**.

Further, pursuant to the recommendations of the Audit Committee, the Board of Directors has appointed M/s P.S. Rao & Associates, Company Secretaries, to conduct the Secretarial Audit for the FY 2019-20.

Directors' comments on the qualifications made by the Secretarial Auditors in their Audit Report:

1. *Non-appointment of Chief Financial Officer and Company Secretary:*



The Company made sincere efforts to appoint a Company Secretary and Chief Financial Officer during the year under review, but was unable to find suitable candidates. Necessary steps are being taken by the Company to appoint the said KMP expeditiously.

- 2. Certain members of the Promoter Group have not complied with the provisions of SEBI Circular No. CIR/ISD/3/2011 dated June 17, 2011 which requires all the shares of Promoters and members of the Promoter Group to be in dematerialized form. Further, certain members of the Promoter Group having shares in physical mode have not provided their PAN and bank account details, as required by SEBI Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018:*

The concerned promoters/ members of the promoter group have not responded to the Company's request asking them to provide their PAN and bank account details and to get their shares dematerialized despite persistent efforts made by the Company.

Internal auditor:

The Board of Directors, on the recommendations of the Audit Committee, has appointed Ms. Sravanthi Karuturi, Chartered Accountant (M. No. 239567), as the Internal Auditor of the Company for the financial year 2019-20.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS:

The Company has Internal Control Systems, 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 and 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.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company; work performed by the statutory and secretarial auditors, including audit of internal financial controls over financial reporting by the statutory auditors and reviews performed by the management and the Audit Committee, the Board of Directors is of the opinion that the Company's internal financial controls were adequate and effective during the FY 2018-19.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information on Energy Conservation, Technology Absorption and Forex Earnings/ Outgo, as prescribed under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, to the extent applicable, is furnished in **Annexure – IX** to this Report.

COMPLIANCE WITH SECRETARIAL STANDARDS:

During the year under review, the Company has complied with the Secretarial Standards on Board and Annual General Meetings issued by the Institute of Company Secretaries of India.

GENERAL:

Your Directors state that, during the year under review:

1. The Company did not issue any equity shares with differential rights as to voting or otherwise.
2. The Company did not issue shares (including sweat equity shares) to employees of the Company under any scheme.
3. The Company has not accepted any deposits from public and as such, no amount of principal or interests on deposits from public is outstanding as on the date of the balance sheet.
4. Maintenance of Cost Records as specified by the Central Government under Section 148(1) of the Companies Act, 2013 is not required by the Company.
5. No fraud has been reported by the Auditors to the Audit Committee or the Board of the Company.
6. No company has become or ceased to be a subsidiary, an associate company or a joint venture of the Company.
7. Neither the Managing Director nor the Whole-time Director receives any remuneration or commission from any of the Company's subsidiaries- *The Company has no subsidiary.*
8. There was no change in the nature of business of the Company.
9. No material changes and commitments, affecting the financial position of the Company, took place between the end of the financial year and the date of this report.
10. No significant or material orders were passed by the regulators or courts or tribunals which impact the going concern status and the future operations of the Company

ACKNOWLEDGEMENT:

The Board of Directors acknowledges the support extended to the Company by its customers, investors, vendors, bankers and associates as well as by various governmental authorities and places on record its sincere appreciation and gratitude for the same.

For and on behalf of the Board

Sd/-

Surampudi Pavan Nandan

Whole-time Director

DIN: 02187696

Place: Hyderabad

Date : 14.08.2019

Annexure - I

Form No. MGT-9

Extract of Annual Return as on the financial year ended 31st March, 2019

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

I. REGISTRATION AND OTHER DETAILS:

i	Name of the Company	Baron Infotech Limited
ii	Corporate Identity Number (CIN)	L72200TG1996PLC025855
lii	Incorporation Date	02.12.1996
iv	Category/ Sub-category of the Company	Company limited by shares/ Non-government Company
v	Listed Company (Yes/ No)	Yes
vi	Address of the registered office & contact details	1-8-313, 4th Floor, Linus Building, Chiran Fort Lane, Begumpet, Secunderabad Hyderabad- 500003, Telangana Tel.: +91 40 32492514 E-mail: info@baroninfotech.com Website: www.baroninfotech.com
vii	Name, address and contact details of the Registrar & Transfer agent, if any	Venture Capital and Corporate Investments Private Limited, 12-10-167, Bharat Nagar, Hyderabad- 500018 Tel.: +91 040-23818475/ 76/ 23868023 Fax: +91 040-23868024 Email: info@vccil.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

Sl. No.	Name and description of main products/ services	NIC Code of the product/ service	% of total turnover of the Company
1	Information and Communication	J6	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sl. No.	Name and Address of the Company	CIN/ GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
NA					

IV. SHAREHOLDING PATTERN (Equity Share Capital break-up as a percentage of total equity):
i. Category-wise Shareholding:

Category of Shareholders	Number of shares held at the beginning of the year				Number 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. Promote and Promoter Group:									
1. Indian:									
a. Individuals/ HUF	0	10,59,200	10,59,200	10.38	0	10,59,200	10,59,200	10.38	-
b. Central Govt.	-	-	-	-	-	-	-	-	-
c. State Govt.(s)	-	-	-	-	-	-	-	-	-
d. Bodies Corporate	-	-	-	-	-	-	-	-	-
e. Banks/ FIs	-	-	-	-	-	-	-	-	-
f. Others	-	-	-	-	-	-	-	-	-
Sub-total A1:	0	10,59,200	10,59,200	10.38	0	10,59,200	10,59,200	10.38	-
2. Foreign:									
a. NRI/ Individual	2,10,000	0	2,10,000	2.06	2,10,000	0	2,10,000	2.06	-
b. Other Individuals	-	-	-	-	-	-	-	-	-
c. Bodies Corporate	-	-	-	-	-	-	-	-	-
d. Banks/ FIs	-	-	-	-	-	-	-	-	-
e. Others	-	-	-	-	-	-	-	-	-
Sub-total A2:	2,10,000	0	2,10,000	2.06	2,10,000	0	2,10,000	2.06	-
Total shareholding of Promoters (A= A1 + A2)	2,10,000	10,59,200	12,69,200	12.44	2,10,000	10,59,200	12,69,200	12.44	-
B. Public									
1. Institutions:									
a. Mutual Funds	-	-	-	-	-	-	-	-	-
b. Banks/FIs	-	-	-	-	400	0	400	0	0
c. Central Govt.	-	-	-	-	-	-	-	-	-
d. State Govt.(s)	-	-	-	-	-	-	-	-	-
e. Venture Capital Funds	-	-	-	-	-	-	-	-	-
f. Insurance Co.	-	-	-	-	-	-	-	-	-
g. Foreign Portfolio Investors	-	-	-	-	-	-	-	-	-



h. Foreign Venture Capital funds	-	-	-	-	-	-	-	-	-
Sub-total B1:	0	0	0	0	400	0	400	0	0
2. Non-institutions:									
a. Body Corp.									
b. Individuals	1,16,129	0	1,16,129	1.14	1,12,908	0	1,12,908	1.11	0.03
(i) Individual shareholders holding nominal share capital upto Rs. 2 Lakhs									
(ii) Individual shareholders holding nominal share capital in excess of Rs. 2 Lakhs	40,19,842	12,36,989	52,56,831	51.54	39,70,838	12,34,589	52,05,427	51.03	0.51
c. Others:									
-Trust									
- NRI									
- Clearing members	16,01,167	18,35,605	34,36,772	33.69	16,56,366	18,35,605	34,91,971	34.24	0.55
Sub-total B2:									
Total Public Shareholding (B= B1 + B2)									
	1,700	0	1,700	0.02	1,700	0	1,700	0.02	0
	1,08,584	0	1,08,584	1.06	1,04,500	0	1,04,500	1.02	0.04
	10,784	0	10,784	0.11	9,810	0	9,810	0.1	0.1
	58,58,206	30,72,594	89,30,800	87.56	58,60,206	30,70,594	89,30,800	87.56	0
	58,58,206	30,72,594	89,30,800	87.56	58,60,606	30,70,194	89,30,800	87.56	0
C. Shares held by custodians of ADRs & GDRs									
Sub-total C:	-	-	-	-	-	-	-	-	-
Grand Total (A + B + C)	60,68,206	41,31,794	1,02,00,000	100	60,70,606	41,29,394	1,02,00,000	100	0

ii. Shareholding of Promoters:

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of shares	% of total shares of the Company	% of shares pledged to the total shares	No. of shares	% of total shares of the Company	% of shares pledged to the total shares	
INDIVIDUALS								
Indian								
1.	N.V. Rama Raju	1,23,500	1.21	-	1,23,500	1.21	-	-
2.	D. Srinivasa Raju	35,000	0.34	-	35,000	0.34	-	-
3.	D. Krishnam Raju	12,000	0.12	-	12,000	0.12	-	-
4.	D. Krishnaveni	15,500	0.15	-	15,500	0.15	-	-
5.	Venkata Satyanarayana Raju	200	0.00	-	200	0.00	-	-
6.	Srinivasa Raju Gokaraju	50,000	0.49	-	50,000	0.49	-	-
7.	N. Vijaya Laxmi	9,500	0.09	-	9,500	0.09	-	-
8.	D. Bangara Raju	4,500	0.04	-	4,500	0.04	-	-
9.	K. Krishnaveni	9,500	0.09	-	9,500	0.09	-	-



10.	V. Satyanarayana Raju	20,000	0.20	-	20,000	0.2	-	-
11.	K. Kasi Raju	30,000	0.29	-	30,000	0.29	-	-
12.	T. Ramamurthy Raju	30,000	0.29	-	30,000	0.29	-	-
13.	Kallapalli Venkata Suguna	15,000	0.15	-	15,000	0.15	-	-
14.	D. Krishnamraju	35,000	0.34	-	35,000	0.34	-	-
15.	D. Srinivasa Raju	60,000	0.59	-	60,000	0.59	-	-
16.	Dean C. Seniff	2,10,000	2.06	-	2,10,000	2.06	-	-
17.	Padma Kunaparaju	43,000	0.42	-	43,000	0.42	-	-
18.	Varma Kunaparaju	86,000	0.84	-	86,000	0.84	-	-
19.	Subba Reddy Annapurna Reddy Padma	10,500	0.10	-	10,500	0.10	-	-
20.	N.V. Rama Raju	1,50,000	1.47	-	1,50,000	1.47	-	-
21.	N.V. Rama Raju	1,00,000	0.98	-	1,00,000	0.98	-	-
NRI								
22	Alluri S.R.V.S.S.N.S.M Raju	2,10,000	2.06	-	2,10,000	2.06	-	-

iii. Change in Promoters' Shareholding:

Sl. 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	N.V. RAMA RAJU <i>At the beginning of the year</i> <i>At the end of the year</i>	1,23,500	1.21	1,23,500 1,23,500	1.21 1.21
2	D. SRINIVASA RAJU <i>At the beginning of the year</i> <i>At the end of the year</i>	35,000	0.34	35,000 35,000	0.34 0.34
3	D. KRISHNAM RAJU <i>At the beginning of the year</i> <i>At the end of the year</i>	12,000	0.12	12,000 12,000	0.12 0.12
4	D. KRISHNAVENI <i>At the beginning of the year</i> <i>At the end of the year</i>	15,500	0.15	15,500 15,500	0.15 0.15
5	VENKATA SATYANARAYANA RAJU <i>At the beginning of the year</i> <i>At the end of the year</i>	200	0.00	200 200	0.00 0.00

**Baron**

Baron Infotech Limited

6	SRINIVASA RAJU GOKARAJU <i>At the beginning of the year</i> <i>At the end of the year</i>	50,000	0.49	50,000 50,000	0.49 0.49
7	N. VIJAYA LAXMI <i>At the beginning of the year</i> <i>At the end of the year</i>	9,500	0.09	9,500 9,500	0.09 0.09
8	D. BANGARA RAJU <i>At the beginning of the year</i> <i>At the end of the year</i>	4,500	0.04	4,500 4,500	0.04 0.04
9	K. KRISHNAVENI <i>At the beginning of the year</i> <i>At the end of the year</i>	9,500	0.09	9,500 9,500	0.09 0.09
10	V. SATYANARAYANA RAJU <i>At the beginning of the year</i> <i>At the end of the year</i>	20,000	0.20	20,000 20,000	0.20 0.20
11	K. KASI RAJU <i>At the beginning of the year</i> <i>At the end of the year</i>	30,000	0.29	30,000 30,000	0.29 0.29
12	T. RAMAMURTHY RAJU <i>At the beginning of the year</i> <i>At the end of the year</i>	30,000	0.29	30,000 30,000	0.29 0.29
13	KALLAPALLI VENKATA SUGUNA <i>At the beginning of the year</i> <i>At the end of the year</i>	15,000	0.15	15,000 15,000	0.15 0.15
14	D. KRISHNAM RAJU <i>At the beginning of the year</i> <i>At the end of the year</i>	35,000	0.34	35,000 35,000	0.34 0.34
15	D. SRINIVASA RAJU <i>At the beginning of the year</i> <i>At the end of the year</i>	60,000	0.59	60,000 60,000	0.59 0.59
16	DEAN C. SENIFF <i>At the beginning of the year</i> <i>At the end of the year</i>	2,10,000	2.06	2,10,000 2,10,000	2.06 2.06
17	PADMA KUNAPARAJU <i>At the beginning of the year</i> <i>At the end of the year</i>	43,000	0.42	43,000 43,000	0.42 0.42
18	VARMA KUNAPARAJU <i>At the beginning of the year</i> <i>At the end of the year</i>	86,000	0.84	86,000 86,000	0.84 0.84
19	SUBBA REDDY ANNAPURNA REDDY PADMA <i>At the beginning of the year</i> <i>At the end of the year</i>	10,500	0.10	10,500 10,500	0.10 0.10



20	N.V. RAMA RAJU	1,50,000	1.47	1,50,000	1.47
	<i>At the beginning of the year</i>				
21	N.V. RAMA RAJU	1,00,000	0.98	1,00,000	0.98
	<i>At the beginning of the year</i>				
22	ALLURI S.R.V.S.S.S.N.S.M RAJU	2,10,000	2.06	2,10,000	2.06
	<i>At the beginning of the year</i>				

iv. Shareholding Pattern of Top 10 shareholders (other than Promoters, Directors and holders of ADRs & GDRs):

Sl. 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	3,25,500	3.19	3,25,500	3.19
	<i>At the beginning of the year</i>				
2	ASHAKANI SURESH KUMAR	2,23,500	2.19	2,23,500	2.19
	<i>At the beginning of the year</i>				
3	SYED RASHEED AHMED	2,00,000	1.96	2,00,000	1.96
	<i>At the beginning of the year</i>				
4	BHONGIR SOHAN BAPU	1,61,000	1.58	1,61,000	1.58
	<i>At the beginning of the year</i>				
5	BATTINA MADHRI	1,50,000	1.47	1,50,000	1.47
	<i>At the beginning of the year</i>				
6	A. SITA RAMA RAJU	1,50,000	1.47	1,50,000	1.47
	<i>At the beginning of the year</i>				
7	KONDABATHULA RAVI SHANKAR	1,50,000	1.47	1,50,000	1.47
	<i>At the beginning of the year</i>				
8	K. BAPURAO	1,24,105	1.22	1,24,105	1.22
	<i>At the beginning of the year</i>				
9	RAMA BHADRA VARMA ALLURI	1,08,000	1.06	1,08,000	1.06
	<i>At the beginning of the year</i>				
10	ALLURI SRI LATHA	1,04,500	1.02	1,04,500	1.02
	<i>At the beginning of the year</i>				

v. Shareholding of Directors and Key Managerial Personnel:

Sl. 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
<i>NIL</i>					

V. 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: i. Addition ii. Reduction Net Change		NIL		
Indebtedness at the end of the financial year: i. Principal Amount ii. Interest due but not paid iii. Interest accrued but not due (i + ii + iii)				

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

i. Remuneration to Managing Director, Whole-time Director and/ or Manager:

Sl. No.	Particulars of Remuneration	Name of MD/ WTD/ manager	Total Amount
1	Gross Salary: A. Salary as per Section 17(1) of the Income Tax Act, 1961 B. Value of perquisites u/s 17(2) of the Income Tax Act, 1961 C. Profits in lieu of salary u/s 17(3) of the Income Tax Act, 1961		
2	Stock Option		
3	Sweat Equity		
4	Commission: a. as a % of profit b. others (specify)		
5	Others (please specify)		
6	Total (A)		
7	Ceiling as per Act		

ii. Remuneration to other Directors:

Sl. No.	Particulars of Remuneration	Name of Director	Total Amount
1	Independent Directors: a. Fee for attending Board/ Committee meetings b. Commission c. Other (please specify) Total (1)		
2	Other Non-Executive Directors: a. Fee for attending Board/ Committee meetings b. Commission c. Others (please specify) Total (2)		
3	Total (B) (1 + 2)		
4	Total Managerial Remuneration		
5	Ceiling as per Act		



a. Remuneration to Key Managerial Personnel (Other than Managing Director/ Whole-time Director/ manager):

Sl. No.	Particulars of Remuneration	Name of KMP	Total Amount
1	Gross Salary: D. Salary as per Section 17(1) of the Income Tax Act, 1961 E. Value of perquisites u/s 17(2) of the Income Tax Act, 1961 F. Profits in lieu of salary u/s 17(3) of the Income Tax Act, 1961	NIL	
2	Stock Option		
3	Sweat Equity		
4	Commission: c. as a % of profit d. others (specify)		
5	Others (please specify)		
6	Total (A)		
7	Ceiling as per Act		

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES:

Sl. No.	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)
1	Company: i. Penalty ii. Punishment iii. Compounding	NIL				
2	Directors: i. Penalty ii. Punishment iii. Compounding					
3	Other officers in default: i. Penalty ii. Punishment iii. Compounding					

For and on behalf of the Board

Sd/-
Surampudi Pavan Nandan

Whole-time Director

Place: Hyderabad

DIN: 02187696

Date : 14.08.2019

REPORT ON CORPORATE GOVERNANCE

[Pursuant to Para C of Schedule V to the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015]

I. COMPANY’S PHILOSOPHY ON CORPORATE GOVERNANCE:

The Company has always been committed to high standards of Corporate Governance since its inception and considers that sound governance practices are crucial for its smooth and efficient operations as well as its ability to focus on its resources, strengths and strategies for creating and safeguarding shareholders’ wealth and interests, while, at the same time, balancing the interests of all its stakeholders.

The Company believes in maintaining high standards of corporate behavior towards the communities and the environment which it has an impact on, for responsible and sustainable growth.

The Company practices fair and ethical business driven by fundamental principles of ensuring compliance with applicable laws, adhering to governance standards, accountability for performance maintaining a transparent corporate structure.

II. BOARD OF DIRECTORS:**i. Composition and Category of Directors:**

The Board of the Company is duly constituted with a mix of Executive and Non-Executive independent Directors, including one Woman Director, having specialized skills and vast experience in their field of expertise. The composition of the Board of Directors is in conformity with Section 149 of the Companies Act, 2013 and Regulation 17 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”).



All the Directors have made disclosures about the directorship(s) and committee chairmanship(s)/ membership(s) held by them in other companies.

As per the disclosures given by the respective directors, none of them is a member of more than ten (10) committees and Chairperson of more than five (5) committees, as stipulated under Regulation 26 of the Listing Regulations, across all the Companies in which he/ she is a Director.

Further, none of them is an Independent Director in more than seven (7) listed entities, and if the Managing Director of a listed company, in more than three (3) listed entities.

The details of composition of the Board and other details pertaining to the Directors is furnished below:

Sr. No.	Name of Director	Category of Directorship	Attendance at the meetings held during the year		No. of Directorships in other companies	No. of memberships/ chairmanships in the committees of other companies	
			Board meetings	AGM		Chairmanships	Memberships
1	Surampudi Pavan Nandan	Whole-time Director	4	Yes	Nil	Nil	Nil
2	Dutta Chandra Subhash	Independent Director	4	Yes	Nil	Nil	Nil
3	Kamala Kumari Nadimpally	Independent Director	4	Yes	Nil	Nil	Nil
4	Vishnu Vardhan Reddy Billa	Independent Director	4	Yes	Nil	Nil	Nil
5	Pokuri Srinivasa Rao	Independent Director	4	Yes	Nil	Nil	Nil

ii. Number of meetings of the Board:

In compliance with Regulation 17 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company met four (4) times during the year under review, on the dates as mentioned below:

- 30th May, 2018
- 14th August, 2018
- 10th November, 2018
- 13th February, 2019

As required by the Regulations, the intervening period between two consecutive Board meetings did not exceed the maximum gap of one hundred and twenty days (120 days).

iii. Relationships between directors inter-se:

Within the meaning of Section 2(77) of the Companies Act, 2013 read with Rule 4 of the Companies (Specification of Definition Details) Rules, none of the Directors on the Board are related to each other.

iv. Number of shares and convertible instruments held by the Non-Executive Directors:

None of the Non-Executive Directors hold any equity shares or convertible instruments in the Company.

v. Web-link of Familiarization Programmes:

The details of familiarization programmes imparted to the Independent Directors are disclosed on the Company's website: www.baroninfotech.com.

vi. Core skills/ expertise/ competencies:

The Board of Directors has identified that the Company requires skills, expertise and competencies in the areas of information technology, strategy, finance and legal & regulatory matters to efficiently carry on its core business, i.e. developing applications.

The Board comprises of qualified members who bring in the required skills, expertise and competencies as mentioned above, which allows it to make effective contributions to the Board and its Committees.

vii. Independence of Directors:

The Board of Directors confirms that, in its opinion, the Independent Directors fulfill the conditions laid down in the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and that they are independent of the management of the Company.

viii. Resignation of Independent Director(s):

During the year under review, no Independent Director has resigned from the Directorship of the Company before the expiry of their tenure.

III. AUDIT COMMITTEE:

The Audit Committee of the Board was constituted in accordance with the provisions of Section 177 of the Companies Act, 2013 (“the Act”) and Regulation 18 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”).

i. Terms of reference:

The Committee is empowered with the role and powers as envisaged under the provisions of the above-mentioned Act and Listing Regulations. In addition to that, it acts in terms of reference and direction of the Board from time to time.

ii. Composition and Names of Chairperson and Members:

Name of Director	Category of Directorship	Chairperson/ Member
Kamala Kumari Nadimpally	Independent Director	Chairperson
Dutta Chandra Subhash	Independent Director	Member
Vishnu Vardhan Reddy Billa	Independent Director	Member

iii. Number of meetings and attendance of members:

As required by the Listing Regulations, during the year under review, the Committee met four times, on the dates as mentioned below:

- 30th May, 2018
- 14th August, 2018
- 10th November, 2018
- 13th February, 2019

The gap between two consecutive meetings did not exceed the maximum gap of one hundred and twenty days (120 days).

All the Committee members attended all the meetings held during the year.

IV. NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee of the Board of Directors was constituted in accordance with the requirements of Section 178 of the Companies Act, 2013 (“the Act”) and



Regulation 19 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”).

i. Terms of reference:

The role and terms of reference of the Nomination and Remuneration Committee are as prescribed under the Listing Regulations. The Committee is authorized to negotiate, finalize and approve the terms of appointment of the Managing Director/ Whole-time Director and other Senior Executives of the Company. It determines all the elements of the remuneration package payable to the Directors, including the Executive Directors, and the Senior Executives in the top-level management of the Company and also reviews the same.

ii. Composition and Names of Chairperson and Members:

The Nomination and Remuneration Committee is comprised of three (3) Independent Directors. The composition of the Committee is as follows:

Name of Director	Category of Directorship	Chairperson/ Member
Pokuri Srinivasa Rao	Independent Director	Chairperson
Dutta Chandra Subhash	Independent Director	Member
Vishnu Vardhan Reddy Billa	Independent Director	Member

iii. Number of meetings and attendance of members:

During the year, two (2) meetings of the Nomination and Remuneration Committee were held on the dates as mentioned below:

- 10th November, 2018
- 13th February, 2019

All the Committee members attended both such meetings.

iv. Criteria for performance of Independent Directors:

Some of the performance indicators based on which the Independent Directors are evaluated are:

- Attendance and contribution at the Board/ Committee meetings and role played by them other than at meetings.
- Contribution to and monitoring of Corporate Governance practices.
- Ability to contribute to address the top management issues.
- Commitment to fulfill their obligations and responsibilities.

V. REMUNERATION OF DIRECTORS:

- a. **Pecuniary relationship or transactions of the Non-Executive Directors vis-à-vis the Company:**
- b. During the year under review, there were no pecuniary relationships or transactions between the Company and the Non-Executive Directors.
- c. **Criteria for making payments to Non-Executive Directors:**
- d. Currently, no payment, either by way of sitting fee or as commission of net profits, is being made to the Non-Executive Directors of the Company.
- e. **Disclosure with respect to remuneration:**
- f. The details of remuneration of the Directors of the Company is disclosed in the extract of Annual Return, forming part of the Annual Report as **Annexure – I**.

VI. STAKEHOLDERS' GRIEVANCE COMMITTEE:

The Company has a Stakeholders' Grievance Committee at the Board level to look into and provide satisfactory redressal to stakeholders' complaints.

i. Composition of the Committee:

Mr. Dutta Chandra Subhash, Independent Director of the Company, chairs the Committee. In pursuit of compliance with the amendments to the Listing Regulations, the Committee was re-constituted during the year, by appointing Mr. Pokuri Srinivasa Rao as a member of the Committee on 13th February, 2019. The current composition of the Committee is as follows:

Name of Director	Category of Directorship	Chairperson/ Member
Dutta Chandra Subhash	Independent Director	Chairperson
Surampudi Pavan Nandan	Independent Director	Member
Pokuri Srinivasa Rao*	Independent Director	Member

**Appointed as a member of the Committee w.e.f 13th February, 2019*

ii. Name and designation of the Compliance Officer:

In the absence of Company Secretary of the Company, Mr. Dutta Chandra Subhash, Independent Director on the Board, is acting as the Compliance Officer of the Company.

Email id for investor grievances: info@baroninfotech.com

iii. Shareholders' Complaints:

No. of shareholders' complaints received so far	Nil
No. of complaints not solved to the satisfaction of shareholders	Nil
No. of pending complaints	Nil

VII. GENERAL BODY MEETINGS:

i.Details of the last three Annual General Meetings:

Nature of the meeting	Date & Time	Venue	Passing of Special Resolution at the meeting
21 st Annual General Meeting	29 th September, 2018 at 9:30 A.M.	504, Micasa Flora, Durga Enclave, Kompally, Secunderabad- 500014	No
20 th Annual General Meeting	29 th September, 2017 at 09:30 A.M.	504, Micasa Flora, Durga Enclave, Kompally, Secunderabad- 500014	No
19 th Annual General Meeting	30 th September, 2016 at 11:00 A.M.	504, Micasa Flora, Durga Enclave, Kompally, Secunderabad- 500014	No

ii. Special Resolutions passed last year through postal ballot and details of voting pattern:

During the year, no special resolutions were passed through postal ballot.

iii. Special resolution proposed to be conducted through postal ballot:

No Special resolution is proposed to be passed through postal ballot at the ensuing Annual General Meeting.

VIII. MEANS OF COMMUNICATION:

- I. **i.Quarterly results:** The quarterly as well as half-yearly and annual financial results of the Company are submitted to the stock exchange (BSE), in accordance with the Listing Regulations and are simultaneously published in the newspapers.
- II. **Newspapers wherein results are normally published:** The results are usually published by the Company in English newspaper (Business Standard) circulating in the whole of India and in regional Telugu newspaper (Andhra Prabha).
- III. **Website, where displayed:** The results are displayed on the Company's website- www.baroninfotech.com.
- IV. **Display of official news releases:** The newsletters and press releases made from time to time are also made available on the website of the Company (www.baroninfotech.com).
- V. **Presentations made to institutional investors or to analysts:** The details on presentations made to institutional investors or analysts, if any, are displayed on the Company's website (www.baroninfotech.com).

IX. GENERAL SHAREHOLDER INFORMATION:

i. **Financial Year:** The Financial Year of the Company starts from 01st April every year and ends on 31st March of the subsequent year.

ii. Annual General Meeting:

Date	30 th September, 2019
Time	09:30 A.M.
Venue	504, Micasa Flora, Durga Enclave, Kompally, Secunderabad- 500014
Last date for submission of proxy forms	28 th September, 2019
Book Closure	22 nd September, 2019 to 30 th September, 2019 (both days inclusive)

iii. Details of Stock Exchange where the shares of the Company are listed:

Name	BSE Limited
Address	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001
Stock Code	532336
Stock Symbol	BARONINF
ISIN	INE228B01017

The Company is yet to pay the Annual Listing Fee to the Stock Exchange for the year 2019-20.

iv. Market price data:

The monthly high and low prices of the Company's shares, along with traded volumes, on BSE Limited for the year ended 31st March, 2019 are as under:

Month	High (Rs.)	Low (Rs.)	Traded Volume (No. of shares)
April 2018	0.28	0.24	2,820
May 2018	0.23	0.22	1,545
June 2018	0.22	0.20	7,972
July 2018	0.19	0.19	2,145
August 2018	0.20	0.19	5,659
September 2018	0.19	0.19	2,000
October 2018	0.19	0.19	1,500
November 2018	0.20	0.19	1,093
December 2018	0.20	0.19	17,305
January 2019	0.19	0.19	2,965
February 2019	0.19	0.19	4,199
March 2019	0.20	0.19	20,109

v. Registrar to Issue and Share Transfer Agents:

Registrars & Transfer Agents (for shares held in both, physical and demat mode):

Name	Venture Capital And Corporate Investments Private Limited
Address	12-10-167, Bharat Nagar, Hyderabad- 500018
Phone	+91 040-23818475/ 23818476/ 23868023
Fax	+91 040-23868024
Email	info@vccilindia.com
Website	www.vccipl.com

vi. Share Transfer System:

Venture Capital And Corporate Investments Private Limited is the Company's Registrar & Transfer Agent (RTA). Share Transfer forms shall be lodged with the RTA at the above-mentioned address. Generally, share transfers processed and registered in the normal course within a period of less than 15 days from the date of receipt, if the documents are complete in all respects, in line with Schedule VII to the Listing Regulations. However, as per the amendments made by the Securities and Exchange Board of India, except in case of transmission or transposition, transfer of shares held in physical mode is barred with effect from 01st April, 2019. Investors (holding shares in physical mode) desirous of transferring their shares are requested to get their shares dematerialized. The Company has delegated the power of share transfers to its RTA to expediate the transfer formalities.

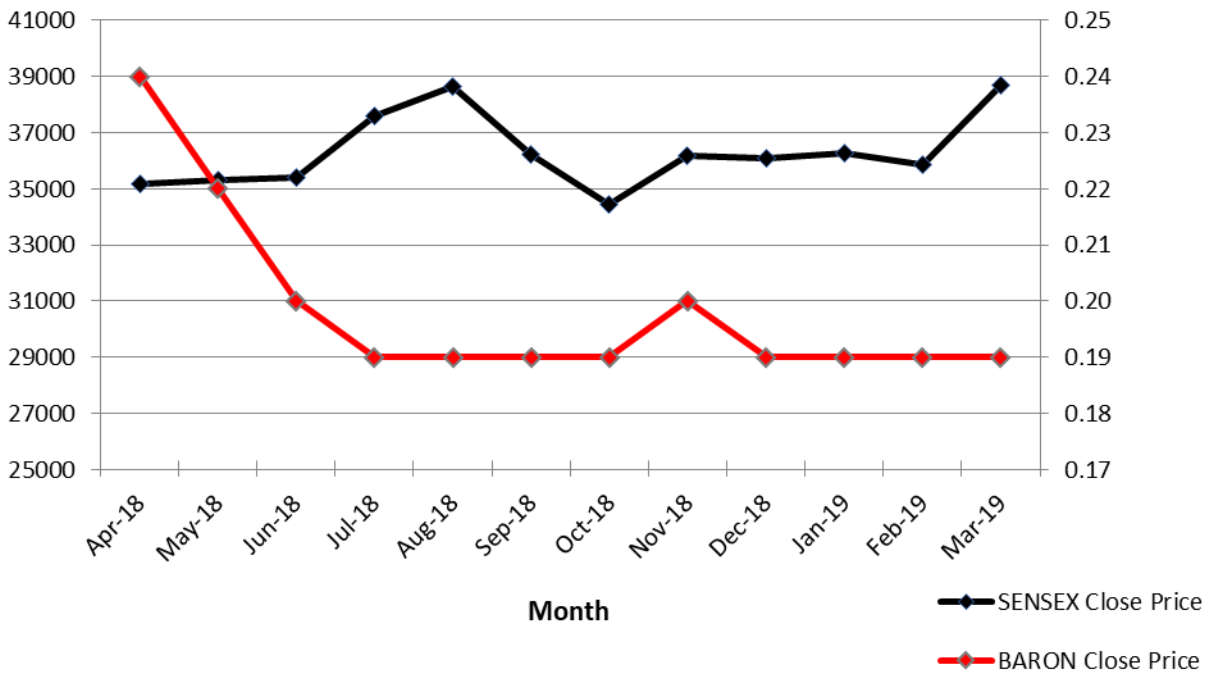
Request for dematerialization of shares are processed and confirmation is given to the concerned depositories, i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) within 21 days of their receipt.

vii. Distribution of Shareholding:

Range of shares held	As on 31 st March, 2019			
	Shareholders		Shareholding	
	Number	%	Amount	%
Upto 5000	8099	84.01	10815920	10.60
5001-100000	527	5.47	4518250	4.43
10001 - 20000	239	2.48	37	3.66
20001 - 30000	305	3.16	7692920	7.54
30001 - 40000	70	0.73	25	2.50
40001 - 50000	146	1.51	7087570	6.95
50001 - 100000	126	1.31	10338390	10.14
100001 and above	128	1.33	55263600	54.18
Total	9640	100.00	102000000	100.00

viii. Performance of the Company’s stock in comparison to broad-based indices:

SENSEX CLOSE Vs. BARON CLOSE PRICE



ix. Dematerialization of shares and liquidity:

As on 31st March, 2019, 60,70,606 equity shares, constituting 59.52% of the total equity share capital of the Company, are held in dematerialized form.

Shareholders who continue to hold their shares are requested to dematerialize their shares at the earliest to avail the benefits of dealing in securities in electronic/ dematerialized form. The Company has made necessary arrangements with NSDL and CDSL for dematerialization facility. Shareholders can open a demat account with depository participants registered with any of these depositories.

x. Outstanding GDRs or ADRs or Warrants or Convertible Instruments:

Neither has the Company issued any Global Depository Receipts/ American Depository Receipts/ Warrants/ other Convertible Instruments during the year under review, nor are any such instruments outstanding as on 31st March, 2019.

xi. Commodity price risk or foreign exchange risk and hedging activities:

As the Company is neither carrying out any commodity business nor engaged in export activities, it is not exposed to commodity price risk or foreign exchange risk and hence, has not undertaken any hedging activities.

xii. Address for correspondence:

Registered Office	1-8-313, 4 th Floor, Linus Building, Chiran Fort Lane, Begumpet, Secunderabad, Hyderabad – 500003
Telephone	+91 040 32492514
E-mail Id	info@baroninfotech.com
Website	www.baroninfotech.com

xiii. Credit Ratings:

The Company has no debt instruments, fixed deposit programmes or schemes or proposals involving mobilization of funds, either in India or abroad, requiring credit rating.

X. OTHER DISCLOSURES**i. Disclosure on materially significant related party transactions:**

During the year, no materially significant related party transactions having potential conflict with the interests of the Company were entered into between the Company and its Directors/ Management or their relatives.

ii. Details of non-compliance by the Company and penalties, strictures imposed by statutory authorities during the last three (3) years:

Sl. No.	Particulars of non-compliance	Action taken by the Company
1	The Company has not appointed Key Managerial Personnel, i.e. Company Secretary and Chief Financial Officer during the year.	The Company made sincere efforts to appoint a Company Secretary and Chief Financial Officer during the year, but was unable to find suitable candidates. Necessary steps are being taken by the Company to appoint the said KMP expeditiously.
5	The some of the members of the promoter group of the Company have neither dematerialized their shares nor provided their PAN and bank account details as mandated by SEBI.	The Company has been making persistent efforts to obtain the said details from the concerned members as well as to get their shares dematerialized.

iii. Vigil Mechanism/ Whistle Blower Policy:

The Company has established a Whistle Blower Mechanism for directors and employees to report genuine concerns of violations and illegal or unethical behavior. The mechanism provides protection against victimization to the directors and employees who avail the same and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that, during the year, no personnel was denied access to the Audit Committee.

The Whistle Blower Policy of the Company is available on its website www.baroninfotech.com.

iv. Compliance with mandatory requirements and adoption of non-mandatory requirements:

During the year under review, the Company has complied with all the mandatory requirements of Corporate Governance as enumerated in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations).

In addition to complying with the mandatory requirements of Corporate Governance, the discretionary requirements as specified in Part E of Schedule II to the Listing Regulations, except for clauses A and B therein, have also been complied by the Company.

v. Weblink of policy for determining material subsidiaries:

As the Company currently does not have subsidiaries, no such policy has been formulated by the Board of Directors.

vi. Weblink of Related Party Transactions Policy:

The Company's policy on dealing with related party transactions can be accessed at www.baroninfotech.com.

vii. Declaration on compliance of Code of Conduct:

During the year, the members of the Board of Directors and the Senior Management Personnel have affirmed compliance with their respective Codes of Conduct framed by the Company. A declaration pertaining to the same, made by the Whole-time Director, is attached to this Report as **Annexure – 2**.

viii. Certificate on Financial Statements:

The compliance certificate on the financial statements as required to be furnished under Regulation 17(8) read with Part B of Schedule II to the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 is furnished as **Annexure – 3** to this Report.

ix. Certificate on non-disqualification of Directors:

A certificate from M/s P.S. Rao & Associates, Practicing Company Secretaries, confirming that none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as Directors by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other statutory authority forms part of this report as **Annexure – 4**.

x. Non-acceptance of the recommendation(s) of any Committee by the Board:

During the year, there has been no such instance where any recommendation made by any of the Committees, which is mandatorily required to be accepted, was not accepted by the Board of Directors.

xi. Total fees to the Statutory Auditor:**(Rs. in Lakhs)**

Particulars	Amount
Audit fees	0.50
Total	0.50

Except for the above-mentioned audit fees, no fee to the Statutory Auditor or any entity in the network firm/ network entity of which the Statutory Auditor is a part was paid by the Company during the year under review.

xii. Disclosure in relation to POSH Act:

The disclosure as required under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("the POSH Act") is furnished in the following table:

No. of complaints filed during the financial year	Nil
No. of complaints disposed off during the financial year	NIL
No. of complaints pending as on the end of the financial year	Nil

xiii. Compliance Certificate on Corporate Governance:

As per the requirements of Part E of Schedule V to the Listing Regulations, a certificate from Mr. N.V. Gangadhar Rao (Membership No.: 219486), Partner of NSVR & Associates LLP (FRN: 008801S/S200060), statutory auditors of the Company, regarding compliance of conditions of Corporate Governance forms part of this Report as **Annexure – 1**.

For BARON INFOTECH LIMITED

Sd/-

Surampudi Pavan Nandan
Whole-time DirectorPlace: Hyderabad
Date : 14.08.2019



CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members
Baron Infotech Limited

We have examined the compliance of conditions of Corporate Governance by Baron Infotech Limited (“the Company”) for the year ended 31st March, 2019, as stipulated in Chapter IV of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”).

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

We conducted our examination of the compliance of conditions of Corporate Governance in accordance with the established systems and procedures selected by us depending on our judgement and to the best of our knowledge. The procedures include, but are not limited to, verification of secretarial records and other information of the Company, as we deem necessary to arrive at an opinion.

Based on the procedures performed by us as mentioned above and according to the information and explanations provided to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations as applicable for the year ended 31st March, 2019.

We further state that such compliance is neither an assurance as to the financial 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. GANGADHAR RAO
Partner

Membership No.: 219486

Place: Hyderabad
Date : 14.08.2019

Annexure - 2**DECLARATION REGARDING COMPLIANCE WITH THE COMPANY'S CODE OF CONDUCT BY THE BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL**

The Company has adopted a Code of Conduct for its Board of Directors and Senior Management Personnel.

It is hereby confirmed that, in respect of the year ended 31st March, 2019, the members of the Board and the Senior Management Personnel have affirmed compliance with the Code of Conduct as applicable to them.

For BARON INFOTECH LIMITED

Sd/-

Surampudi Pavan Nandan

Whole-time Director

Place: Hyderabad

Date : 14.08.2019

**WHOLE-TIME DIRECTOR CERTIFICATION
for the year ended 31st March, 2019**

[Pursuant to Regulation 17(8) read with Part B of Schedule II to the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015]

To
The Board of Directors
Baron Infotech Limited

- I. I have reviewed the financial statements and the cash flow statements of the Company for the year and that to the best of my knowledge and belief:
- (a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (b) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- II. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or which violate the Company's Code of Conduct.
- III. I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of the 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, of which I was aware and the steps I have taken or propose to take to rectify such deficiencies.
- IV. I have indicated to the Auditors and Audit Committee:
- (a) Significant changes in the internal control over financial reporting during the year;
 - (b) Significant changes in the notes to the financial statements; and
 - (c) Instances of significant fraud of which I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For BARON INFOTECH LIMITED

Sd/-

Surampudi Pavan Nandan
Whole-time Director

Place: Hyderabad
Date : 30.05.2019

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

[Pursuant to Regulation 34(3) read with clause (10)(i) of Para C of Schedule V to the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015]

To
The Members
Baron Infotech Limited

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Baron Infotech Limited having CIN: L72200TG1996PLC025855 and having registered office at 1-8-313, 4th Floor, Linus Building, Chiran Fort Lane, Begumpet, Secunderabad, Hyderabad- 500003, Telangana (hereinafter referred to as “the Company”) and produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with clause (10)(i) of Para C of Schedule V to the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications [including Director Identification Number (DIN) status at the portal www.mca.gov.in] as considered necessary and explanations furnished to me by the Company and its officers, we hereby certify that, for the year ended 31st March, 2019, none of the Directors on the Board of the Company, as stated below, have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other statutory authorities.

Sl. No.	Name of Director	Nature/ Category of Directorship	Director Identification Number (DIN)
1	Surampudi Pavan Nandan	Whole-time Director	02187696
2	Dutta Chandra Subhash	Independent Director	02221641
3	Kamala Kumari Nadimpally	Independent Director	07142555
4	Vishnu Vardhan Reddy Billa	Independent Director	07151065
5	Pokuri Srinivasa Rao	Independent Director	07151066

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

For P.S. RAO & ASSOCIATES
Company Secretaries

Place: Hyderabad
Date : 14.08.2019

Sd/-
D.S. RAO
Company Secretary
M. No.: 12394
C.P. No.: 14487

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 the shareholders remain informed about and repose confidence in the management of the Company. To harmonize the aspirations of human resources with the goals of the Company and in terms of the provisions of the Companies Act, 2013 (“the Act”) and the Rules made thereunder and the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations), as amended from time to time, this Policy on nomination and remuneration of the Directors (including Non-Executive Directors), Key Managerial Personnel (KMP) and Senior Management of the Company has been formulated by the Nomination and Remuneration Committee and approved by the Board of Directors. This Policy shall act as a guideline for determining, inter-alia, the qualifications, positive attributes and independence of a director and 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 Senior Management Personnel of the quality required by Baron Infotech Limited, 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 assisting in providing necessary report to the Board for further evaluation of itself, its committees and individual directors.

-
- (iii) recommending to the Board the remuneration payable to the Director(s) and setting forth a policy for determining the remuneration payable to KMP and Senior Management Personnel.

 - b. While determining the remuneration of the Director(s) (including Non-Executive Directors) and KMPs and Senior Management Personnel, regard should be had to the prevailing market conditions, business performance and practices in comparable companies, the financial and commercial health of the Company and also to prevailing laws and government/ other guidelines, to ensure that the pay structures are appropriately aligned and the levels of remuneration remain appropriate.

 - c. While designing the remuneration package it should be ensured that:
 - (i) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate persons of 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 Nomination and Remuneration 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 Act (including Section 178 thereof), the Rules framed thereunder and the Listing Regulations including, inter-alia, the principles pertaining to determining qualifications, positive 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 the 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 Regulation 16 of the Listing Regulations.
 - v. 'Key Managerial Personnel' (KMP) shall have the meaning as prescribed to it in the Act and the Rules made thereunder.
 - vi. 'Non-Executive Directors' include Independent Directors.
 - vii. 'Policy' means the 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 the Board of Directors. It would comprise all the members of the management one level below the Board, including the functional heads.
- b. Unless the context otherwise requires, the words and expressions used in this Policy and not defined herein but defined in the Act and/ or the Listing Regulations, as may 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
- (i) Key Managerial Personnel
- (ii) Senior Management Personnel

6. MEMBERSHIP

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

g. CHAIRMAN

- d. The Chairman of the Committee shall be an Independent Director.
- e. The 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.
- f. The Chairman of the Committee 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 Committee; whichever is greater.

12. VOTING

- a. Matters arising for determination at Committee meetings shall be decided by a majority of votes of the 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 the criteria for determining the qualifications, positive attributes and independence of a Director for the purpose of this Policy;
 - ii. advising the Board on issues concerning the principles of remuneration and other terms of employment, including remuneration of the Directors (including Non-Executive Directors), KMPs and the Senior Management;
 - iii. monitoring and evaluating the 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

- b. 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.

- c. A person should possess adequate qualifications, expertise and experience for the position in which he/ she is considered to be appointed. The Committee shall have the discretion to decide whether the qualification, expertise and experience possessed by a person are sufficient/ satisfactory for the concerned position.
- d. Appointment of Directors, KMPs and Senior Management Personnel is subject to compliance of provisions of the Companies Act, 2013 and the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.
- e. 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

- (i) The remuneration/ compensation/ commission, etc. to the 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, 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 the 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 Director. Provided that, if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of his/her remuneration.

(A) Remuneration to Executive Directors:

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 provident fund, 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, wherever required.

Variable components:

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

(B) Remuneration to Directors other than Executive Directors:

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 the fees per meeting of the Board or Committee shall not exceed the maximum amount as provided in the Companies Act, 2013.

(C) Remuneration to KMP and Senior Management Personnel:

- (i) The remuneration payable to the KMP and Senior Management Personnel, including their increments, will be determined by the Committee and approved by the Board of Directors.
- (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 his/her remuneration.

Remuneration:

Fixed pay:

The KMP and Senior Management shall be eligible for monthly remuneration as may be recommended by the Committee and approved by the Board, 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 PF, pension scheme, medical expenses, club fees, etc. shall be approved by the Board.

Variable components:

Based on their performance, the KMPs and Senior Management Personnel will be paid incentives.

16. POLICY ON BOARD DIVERSITY

- (a) The Board of Directors shall have an 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 member who has accounting or related financial management expertise.

17. REMOVAL

The Committee may recommend to the Board, with reasons recorded in writing, the removal of Director(s), KMP(s) and Senior Management subject to the compliance of the applicable provisions of the Act, the Rules made thereunder.

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, 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.

Annexure – IV

Form AOC-1

Statement containing salient features of the financial statements of Subsidiaries and Associate Companies for the year ended 31st March, 2019

[Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014]

Part 'A': Subsidiaries

The Company had no subsidiaries during the period under review.

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/-

Surampudi Pavan Nandan

Whole-time Director

DIN: 02187696

Place: Hyderabad

Date : 14.08.2019

Annexure – V**Form AOC-2**

[Pursuant to Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014]

Disclosure of particulars of contracts or arrangements entered into by the Company with related parties as referred to in Section 188(1) of the Companies Act, 2013:

I. Details of contracts or arrangements or transactions not at arm's length:

During the year under review, the Company has not entered into any contract or arrangement with related parties, which were not on arm's length basis.

II. Details of contracts or arrangements or transactions at arm's length:

No contract or arrangement or transaction, at arm's length, was entered into by the Company with any of the related parties.

For and on behalf of the Board

Sd/-

Surampudi Pavan Nandan

Whole-time Director

DIN: 02187696

Place: Hyderabad

Date : 14.08.2019

Annexure – VI**RELATED PARTY DISCLOSURES**

*[Pursuant to Regulation 34(3) read with Schedule V to the Securities and Exchange Board of India
(Listing Obligation and Disclosure Requirements) Regulations, 2015]*

Sr. No.	In the accounts of	Particulars	Amounts as at the end of the year	Maximum amounts of loans/ advances/ investments outstanding during the year
NOT APPLICABLE				

For and on behalf of the Board

Sd/-

Surampudi Pavan Nandan

Whole-time Director

DIN: 02187696

Place: Hyderabad

Date : 14.08.2019

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]

To
The Members
Baron Infotech Limited
Hyderabad

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Baron Infotech Limited**, (hereinafter referred to as “the Company”). The 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 **31st March, 2019**, complied with the statutory provisions listed hereunder and also that the Company has proper board-processes and compliance-mechanisms 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 according to the provisions of:
 - i. The Companies Act, 2013 (the Act) (applicable Sections as on date) and the Rules made thereunder;
 - ii. The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the Rules made thereunder;
 - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed by the Securities and Exchange Board of India (‘SEBI’) thereunder;
 - iv. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’): -

- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - e. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
2. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company during the year under review:-
- a. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - e. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
3. The industry specific laws that are applicable to the Company are as follows:
- a. The Information Technology Act, 2000 and the Rules made thereunder
4. We have also examined compliance with the applicable clauses of the following:
- i. Secretarial Standards SS-1 and SS-2 with respect to meetings of the Board of Directors and General meetings respectively, issued by The Institute of Company Secretaries of India and notified by the Ministry of Corporate Affairs.

We report that during the period under review the Company has duly complied with the provisions of the Companies Act, 2013, Regulations of the SEBI and other acts, as specified above, applicable to the industry of the Company, except the following:

1. *The Company has not appointed Key Managerial Personnel, i.e. Company Secretary and Chief Financial Officer.*
2. *Certain members of the Promoter Group have not complied with the provisions of SEBI Circular No. CIR/ISD/3/2011 dated June 17, 2011 which requires all the shares of Promoters and members of the Promoter Group to be in dematerialized form. Further, certain members of the Promoter Group having shares in physical mode have not provided their PAN and bank account details, as required by SEBI Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018.*

We further report that the Board of Directors of the Company is duly constituted with a proper balance of Executive Directors, Non-Executive Directors and Independent Directors. During the period under review, there was no change in the composition of the Board of Directors.

Adequate notice was given to all the directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. As a general practice of the Board, decisions were taken on unanimous consent.

We further report that no prosecutions were initiated and no fines or penalties were imposed for the year, under the Companies Act, FEMA, SEBI Act, SCRA or other SEBI Regulations, on the Company or its directors and officers during the period under review.

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.

FOR P.S. RAO & ASSOCIATES
Company Secretaries

Sd/-

P.S. RAO

Company Secretary

FCS. No.: 10322

CP. No.: 3829

Place: Hyderabad
Date: 14th August, 2019

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



'Annexure A'

To,
**The Members,
Baron Infotech Limited
Hyderabad**

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

1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these Secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable 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 the Secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of Financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained 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 the 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.

FOR P.S. RAO & ASSOCIATES

Company Secretaries

Sd/-

P.S. RAO

Company Secretary

FCS. No.: 10322

CP. No.: 3829

Place: Hyderabad
Date: 14th August, 2019

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE AND DEVELOPMENT

According to NASSCOM (the trade association of Indian IT BPM industry), 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 2018-19 as a result of which, exports from India are increasing drastically. The growth in export market is expected to be an opportunity to offer solutions that integrate new business models such as SMAC (Social, Mobile, Analytics and Cloud) with traditional 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 USD 70 Bn. and 250 Bn. over the next 3 years.

Big data is increasingly evolving as an indispensable tool to manage and run 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 USD 2 Bn. by 2020, increasing at a remarkable Compound Annual Growth Rate (CAGR) of over 15%, from USD 250 Mn. in 2019. The government sector continues to be the largest contributor of revenue in the 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 the government agencies, only large operators of the industry are able to address these big-sized opportunities since they have the capacity build-up with good cash reserves. Even multinational IT players are in the race to take up large deals which require substantial investments. As a result, smaller companies with limited or scarce resources certainly continue to remain handicapped and at a disadvantageous position, thereby facing difficulty in reaching their targets. Baron Infotech Limited ("Baron") is one of the preys to such limitation.

OUTLOOK

Baron's aim is to optimally utilize its resources and to grab all the possible opportunities for achieving the end results of the organization in the short run, while ensuring long-term sustainability. Investment in R&D is needed to come up with new products, catering to the current needs of the market, and to give tough competition to competitors.

PERFORMANCE OF THE COMPANY

Baron has not been carrying on its operations due to lack of orders, except for conducting some training programs and undertaking back-to-back contracts on behalf of others. Various sources are being explored to bag software contracts.

INTERNAL CONTROLS AND THEIR ADEQUACIES

Baron has placed various systems, commensurate with the size and complexity of its operations to have proper control over and accountability of them.

The Board of Directors of the Company have adopted various policies like Related Party Transactions policy, Whistle Blower Policy and 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.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company; work performed by the statutory and secretarial auditors, including audit of internal financial controls over financial reporting by the statutory auditors and reviews performed by the management and the Audit Committee, the Board of Directors is of the opinion that the Company's internal financial controls were adequate and effective during the FY 2018-19.

HUMAN RESOURCE/ INDUSTRIAL RELATIONS

Baron believes and recognizes that Human Resource is a critical factor in the sustenance and growth of an organization, and strives to have seamless focus on harnessing the potential of its human capacity. In this respect, though currently not having any



employees, the Company is committed to enhance the performance of its workforce by nurturing their talent and improving their current capability levels.

The Company has maintained cordial industrial relations during the year under review and the Board of Directors places on record its gratitude and appreciation for the sincere and efficient services rendered by all the associates of the Company.

DETAILS OF KEY FINANCIAL RATIOS

				(as %)	
Sl. No.	Particulars	2018-19	2017-18		
1	Debtor's Turnover Ratio	-	-		
2	Inventory Turnover Ratio	-	-		
3	Interest Coverage Ratio	-	-		
4	Current Ratio	4.05	0.32		
5	Debt Equity Ratio	-	-		
6	Operating Profit Margin (%)	-142.31	-3.40		
7	Net Profit Margin	-389.39	-3.40		
8	Return on Net Worth	-14.62	-0.10		

Explanation for significant changes in the ratios:

The significant changes in the Operating Profit Margin and Net Profit Margin are a result of decrease in the Company's sales due to minimal operations, leading to decreased revenue and profitability.

For and on behalf of the Board

Sd/-

Surampudi Pavan Nandan

Whole-time Director

DIN: 02187696

Place: Hyderabad

Date : 14.08.2019

Annexure – IX

PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

(A) CONSERVATION OF ENERGY- N.A.

- i. The steps taken or impact on conservation of energy;
- ii. The steps taken by the Company for utilizing alternate sources of energy;
- iii. The capital investment on energy conservation equipment's;

(B) TECHNOLOGY ABSORPTION- N.A.

- i. The efforts made towards technology absorption;
- ii. The benefits derived like product improvement, cost reduction, product development or import substitution;
- iii. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-
 - a. The details of technology imported;
 - b. The year of import;
 - c. Whether the technology has been fully absorbed;
- iv. If not fully absorbed, areas where absorption has not taken place, and the reasons thereof;
- v. The expenditure incurred on Research and Development.

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO- N.A.

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange during the year in terms of actual outflows.

For and on behalf of the Board

Sd/-

Surampudi Pavan Nandan

Whole-time Director

DIN: 02187696

Place: Hyderabad

Date : 14.08.2019

INDEPENDENT AUDITOR'S REPORT

To
The Members
Baron Infotech Limited
Hyderabad

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, 2019, 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, 2019, 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to be communicated in our report.

Information other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures thereto, Corporate Governance and Shareholder's Information, but does not include the financial statements and our Auditor's Report thereon.

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

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

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

Management's Responsibility for the 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. The 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.

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

- i. Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- ii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- iii. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- iv. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors

in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

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

Report on Other Legal and Regulatory Requirements

- A.** 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, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 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.
- B. 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. GANGADHAR RAO
Partner
Membership No.: 219486

Place: Hyderabad
Date : 30.05.2019

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, 2019 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 authorizations of management and directors of the company; and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the 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, 2019, 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

For NSVR & ASSOCIATES LLP

Chartered Accountants

FRN: 008801S/S200060

Sd/-

N.V. GANGADHAR RAO

Partner

Membership No.: 219486

Place: Hyderabad

Date : 30.05.2019

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, 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, Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Goods and Service Tax, cess and other material statutory dues in arrears as at March 31, 2019 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, 2019
- 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.

For NSVR & ASSOCIATES LLP
Chartered Accountants
FRN: 008801S/S200060

Sd/-

N.V. GANGADHAR RAO

Partner

Membership No.: 219486

Place: Hyderabad

Date : 30.05.2019

DESCRIPTION OF THE COMPANY AND SIGNIFICANT ACCOUNTING POLICIES

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, as amended and as per other relevant provisions of the Act. The presentation of financial statements is based upon Ind AS Schedule III of Companies Act, 2013.

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
Long-term borrowings are measured at amortized cost using the effective interest rate method.

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. USE OF ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on historical experiences and various

other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, the areas involving critical estimates or Judgments are:

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.

b. 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.

c. Fair valuation:

Fair value is the market based measurement of observable market transaction or available market information.

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 rupees.

6. CURRENT AND NONCURRENT CLASSIFICATION

All the assets and liabilities have been classified as current or noncurrent as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1, Presentation of financial statements.

Assets: An asset is classified as current when it satisfies any of the following criteria:

- It is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- It is held primarily for the purpose of being traded;

- It is expected to be realized within twelve months after the reporting date; or
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

Liabilities: A liability is classified as current when it satisfies any of the following criteria:

- It is expected to be settled in the Company's normal operating cycle;
- It is held primarily for the purpose of being traded
- It is due to be settled within twelve months after the reporting date; or
- The Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current assets/ liabilities include the current portion of noncurrent assets/ liabilities respectively. All other assets/ liabilities are classified as noncurrent.

7. FOREIGN CURRENCY TRANSACTIONS

Transactions in foreign currencies are translated to the respective functional currencies of entities within the Company at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the exchange rate at that date. Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognized in the statement of profit and loss in the period in which they arise.

Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction, if any.

8. PROPERTY, PLANT AND EQUIPMENT

Recognition and measurement

Property, Plant and Equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment loss, if any. Cost includes expenditures that are directly attributable to the acquisition of the asset i.e., freight, duties and taxes applicable and other expenses related to acquisition and installation. The cost of self-constructed

assets includes the cost of materials and other costs directly attributable to bringing the asset to a working condition for its intended use. Borrowing costs that are directly attributable to the construction or production of a qualifying asset are capitalized as part of the cost of that asset.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses upon disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognized net within in the statement of profit and loss.

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of repairs and maintenance are recognized in the statement of profit and loss as incurred.

Items of property, plant and equipment acquired through exchange of non-monetary assets are measured at fair value, unless the exchange transaction lacks commercial substance or the fair value of either the asset received or asset given up is not reliably measurable, in which case the asset exchanged is recorded at the carrying amount of the asset given up.

Depreciation and Amortization

Depreciation is recognized in the statement of profit and loss on a straight line basis over the estimated useful lives of property, plant and equipment based on Schedule II to the Companies Act, 2013 (“Schedule”), which prescribes the useful lives for various classes of tangible assets. For assets acquired or disposed of during the year, depreciation is provided on pro - rata basis. Land is not depreciated.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted prospectively, if appropriate.

Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date is disclosed as capital advances under other noncurrent assets. The

cost of property, plant and equipment not ready to use before such date are disclosed under capital work-in-progress. Assets not ready for use are not depreciated.

The Company assesses at each balance sheet date, whether there is objective evidence that an asset or a group of assets is impaired. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Recoverable amount is higher of the value in use or fair value less cost to sell.

9. 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 and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are 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.

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

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Company’s balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a ‘pass-through’ arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has

retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset,

the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability.

The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

A. Financial Liabilities

1. Initial Recognition and measurement

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 raw materials, stores and spares, work-in-progress and finished goods and are measured at the lower of cost and net realizable value. The cost of all categories of inventories is based on the weighted average method. Cost includes expenditures incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of finished goods and work-in-progress, cost includes an appropriate share of overheads based on normal operating capacity. Stores and spares, that do not qualify to be recognized as property, plant and equipment, consists of packing materials, engineering spares (such as machinery spare parts) and consumables which are used in operating machines or consumed as indirect materials in the manufacturing process. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

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

Effective April 1, 2018, the company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The company has adopted Ind AS 115 using the cumulative catchup method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018).

The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information in the statement of profit and loss is not restated – i.e. the comparative information continues to be reported under Ind AS 18. The impact of adoption of the standard on the financial statements of the Company is insignificant.

Revenue is recognized, when the company satisfies a performance obligation by transferring a promised good or service to its customers. The company considers the terms of the contract and its customary business practices to determine the transaction price. Performance obligations are satisfied at the point of time when the customer obtains controls of the asset.

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and value added tax. Transaction price is recognised based on the price specified in the contract, net of the

estimated sales incentives/ discounts. Accumulated experience is used to estimate and provide for the discounts/ right of return, using the expected value method.

15. OTHER INCOME

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

16. 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.

17. 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.

18. 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.

19. RECENT ACCOUNTING PRONOUNCEMENTS.

Ind AS 116 Leases:

Ind AS 116, Leases: The Ministry of Corporate Affairs has notified the Ind AS 116, Leases which will be effective from April 1, 2019. Ind AS 116 would replace the existing leases standard Ind AS 17. The standard sets out the principles for the recognition, measurement, presentation and disclosures for both parties to a contract, i.e. the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of profit and loss. The Company is currently evaluating the effect of Ind AS 116 on the financial statements

Amendment to Ind AS 12 ‘Income Taxes’

On March 30, 2019, the Ministry of Corporate Affairs has notified limited amendments to Ind AS 12 ‘Income Taxes’. The amendments require an entity to recognise the income tax consequences of dividends as defined in Ind AS 109 when it recognises a liability to pay a dividend. The income tax consequences of dividends are linked more directly to past transactions or events that generated distributable profits than to distributions to owners. Therefore, an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The amendment will come into force for accounting periods beginning on or after April 1, 2019. The Company is evaluating the effect of the above in the financial statement

Appendix C to Ind AS 12, Uncertainty over Income Tax Treatments

On March 30, 2019, Ministry of Corporate Affairs (“MCA”) has notified the Companies (Indian Accounting Standards) Amendment Rules, 2019 containing Appendix C to Ind AS 12, Uncertainty over Income Tax Treatments which clarifies the application and measurement requirements in Ind AS 12 when there is uncertainty over income tax treatments. The current and deferred tax asset or liability shall be recognized and measured by applying the requirements in Ind AS 12 based on the taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates determined by applying this appendix. The amendment is effective for annual periods beginning on or after April 1, 2019. The Company is evaluating the effect of the above in the financial statements.

Amendment to Ind AS 19 ‘Employee Benefits’

On March 30, 2019, the Ministry of Corporate Affairs has notified limited amendments to Ind AS 19 ‘Employee Benefits’ in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement and to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus,



even if that surplus was not previously recognised because of the impact of the asset ceiling. The amendment will come into force for accounting periods beginning on or after April 1, 2019. The Company is evaluating the effect of the above in the financial statements.

For NSVR & ASSOCIATES LLP

Chartered Accountants

FRN: 008801S/S200060

Sd/-

N.V. GANGADHAR RAO

Partner

Membership No.: 21948

Place: Hyderabad

Date : 30.05.2019

**BALANCE SHEET AS AT 31.03.2019**

PARTICULARS	SCH	As at	As at
	No.	31.03.2019	31.03.2018
ASSETS			
Non-current assets			
Property plant and Equipment	2.1	0.00	0.00
Capital Work In progress	2.1	92.50	92.50
Intangible assets	2.2	0.00	0.00
Financial assets			
Investments	2.3	0.00	0.00
Other financial assets	2.4	0.00	0.00
Deferred tax Asset (net)	2.9	67.68	81.22
Other non current assets	2.5	0.00	0.00
		160.18	173.72
Current assets			
Inventories			
Financial assets			
Trade receivables	2.7	0.00	0.00
Cash and cash equivalent	2.8	0.60	0.02
Other financial assets	2.4	0.00	0.00
Other current assets	2.5	0.00	0.00
		0.60	0.02
		160.78	173.74
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	2.10	1020.00	1020.00
Other Equity	2.11	(874.04)	(851.18)
		145.96	167.29
Liabilities			
Non-current liabilities			
Financial Liabilities			
Borrowings	2.12	0.00	0.00
Deferred tax liabilities (net)		-	-
Other Non-Current liabilities		0.00	0.00
	0.00	0.00	
Current liabilities			
Financial Liabilities			
Borrowings	2.12	0.00	0.00
Trade payables	2.13	7.68	0.00
Other financial liabilities	2.14	0.00	0.00
Liabilities for current tax (net)			
Provisions	2.15	0.00	0.00
Other current liabilities	2.16	7.15	6.45
		14.83	6.45
TOTAL		160.78	173.74

The accompanying Significant accounting policies and notes form an integral part of the Standalone financial statements. As per our Report of given Date

For NSVR & ASSOCIATES LLP

Chartered Accountants

Sd/-

N.V.GANGADARA RAO

Partner

Place: Hyderabad

Date: 30.05.2019

For and on behalf of the Board of Directors

Sd/-

Sd/.

S. Pavan Nandan
(Whole time-Director)

DIN:02187696

B.Vishnu Vardhan Reddy
(Director)

DIN:07151065

**PROFIT & LOSS ACCOUNT FOR THE Year ENDED 31.03.2019**

PARTICULARS	SCH No.	For the year ending as on 31.03.2019	For the year ending as on 31.03.2018
INCOME FROM OPERATIONS			
Revenue from operations	2.17	5.48	4.99
Other income	2.18	0.00	0.00
Total Revenue		5.48	4.99
Expenses			
Cost of materials consumed	2.19	2.93	2.60
Changes in inventories	2.20	0.00	0.00
Employee benefits expense	2.21	1.16	1.27
Finance costs	2.22	0.00	0.00
Depreciation and amortization expense	2.1	0.00	0.00
Other expenses	2.23	9.18	1.29
Total Expenses		5.16	7.21
Profit before tax		(7.79)	(0.17)
Tax expense			
(1) Current tax		0.00	0.00
(2) Deferred tax		13.54	0.00
Profit for the year		(21.33)	(0.17)
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:			
ax 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		(21.33)	(0.17)
Earnings per share:			
Basic earnings per share of 10/-each	2.24	(0.209)	(0.002)
Diluted earnings per share of 10/- each		(0.209)	(0.002)

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

As per our Report of given Date
For NSVR & ASSOCIATES LLP
Chartered Accountants
FRN : 008801S/S200060

Sd/-
N.V.GANGADARA RAO
Partner
Membership no 219486

Place: Hyderabad
Date: 30.05.2019

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

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31-03-2019**

	31-03-2019	31-03-2018
CASH FROM OPERATING ACTIVITIES		
Net profit before tax	(7.79)	(0.17)
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	(7.79)	(0.17)
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	8.38	0.16
Cash generated from operations	(0.01)	(0.34)
Interest received on Deposits	-	-
Direct Taxes Paid	-	-
Net Cash from operating activities (A)	(0.58)	(0.01)
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	(0.58)	(0.01)
Cash and Cash equivalents at the beginning of the year	0.02	0.03
Cash and Cash equivalents at the ending of the year (Refer Note 2.8)	0.06	0.02

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/S20006
Sd/-
N.V.GANGADHARA RAO
Partner
Membership no 219486
Place : Hyderabad
Date : 30.05.2019

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

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2019

(Rs.in Lakhs)

PARTICULARS	"EQUITY SHARE	RETAINED EARNINGS	GENERAL RESERVE "CAPITAL	CAPITAL" RESERVE"	SECURITIES PREMIUM	MONEY RECEIVED AGAINST SHARE WARRANTS	TOTAL EQUITY
Profit for the year	-	(21.33)	-	-	-	-	(21.33)
Additions During the year	-	-	-	-	-	-	-
Issued in Current year	-	-	-	-	-	-	-
Amount transfer to general reserve	-	-	-	-	-	-	-
Net change in fair value of							
Actuarial gain/(loss) on post-employment							
Balance as at 31/03/2017	1,020.00	(874.04)	-	-	-	-	145.96

Particulars	Equity share capital	Retained earnings	General reserve	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

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

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019
(Rs. in Lakhs unless otherwise stated)

2.1 Property, Plant and Equipment

Particulars	Gross carrying value				Accumulated depreciation / impairment					Net carrying value	
	As at 01 st April 2018	Additions	Disposals	As at 31 st March 2019	As at 01 st April 2018	For the year	Impairment for the year	Disposals	As at 31 st March 2019	As at 31 st March 2019	As at 31 st March 2018
Tangible Assets											
Furniture & Fixtures	57.65	-	-	57.65	57.65	-	-	-	57.65	-	-
Office Equipment	23.58	-	-	23.58	23.58	-	-	-	23.58	-	-
Computers	162.88	-	-	162.88	162.88	-	-	-	162.88	-	-
Vehicle	15.98	-	-	15.98	15.98	-	-	-	15.98	-	-
Air Conditioners	2.75	-	-	2.75	2.75	-	-	-	2.75	-	-
Total (a)	262.84	-	-	262.84	262.84	-	-	-	262.84	-	-
Capital Work in Process	92.50	-	-	92.50	-	-	-	-	-	92.50	92.50
Total (b)	92.50	-	-	92.50	-	-	-	-	-	92.50	92.50
Total	355.34	-	-	355.34	262.84	-	-	-	262.84	92.50	92.50

2.2 Other Intangible Assets:

Particulars	Gross carrying value				Accumulated depreciation / impairment					Net carrying value	
	As at 01 st April 2018	Additions	Disposals	As at 31 st March 2019	As at 01 st April 2018	For the year	Impairment for the year	Disposals	As at 31 st March 2019	As at 31 st March 2019	As at 31 st March 2018
USFDA Fees	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-

2.3 Investments:

Particulars	2019		2018	
	Current	Non-Current	Current	Non-Current
Investments at fair value through Profit or Loss A/c				
<i>Investments in Quoted Equity Instruments</i>	-	-	-	0.00
Aggregate amount of Quoted Investments	-	-	-	0.00
Total Investments	-	-	-	-

2.4 Other Financial Assets:

Particulars	2019		2018	
	Current	Non-Current	Current	Non-Current
Rental Deposits	-	-	-	-
Electricity and Other Security Deposits	-	-	-	-
Total	0.00	0.00	0.00	0.00

2.5 Other Non-current Assets and Current Assets:

Particulars	2019		2018	
	Current	Non-Current	Current	Non-Current
Prepaid Expenses	0.00	0.00	0.00	0.00
Input tax and other taxes receivables	0.00	0.00	0.00	0.00
Advance to Creditors	0.00	0.00	0.00	0.00
Advances for Capital goods/services	-	-	0.00	0.00
Total	0.00	0.00	0.00	0.00

2.6 Inventories:

Particulars	2019	2018
	Current	Current
Raw materials	0.00	0.00
Work-in-progress	0.00	0.00
Traded goods	0.00	0.00
Packing materials	0.00	0.00
Total	0.00	0.00

2.7 Trade Receivables:

Particulars	2019	2018
	Current	Current
Trade Receivables		
Unsecured, considered good	0.00	0.00
<i>Less: Allowances for credit losses</i>	0.00	0.00
<i>Less: Provision for Doubtful Receivables</i>	0.00	0.00
Total	0.00	0.00

Trade Receivables hypothecated as security for availing working capital facilities.

Movement of impairment in Trade Receivables:

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:

Particulars	2019	2018
a) Cash and Cash equivalents		
i) Cash on hand	0.60	0.02
ii) Balances with banks		
- Current Accounts	0.00	0.00
b) Other Bank Balances (with restricted use)		
(i)Margin Money Deposit Accounts (against Bank Guarantees)	0.00	0.00
(ii)Share Application Money	0.00	0.00
Interest accrued but not due on deposits	0.00	0.00
Total	0.60	0.02

2.9 Differed Tax Liabilities/ Differed Tax Assets:

Particulars	2019	2018
Opening Balance of DTA/(DTL)	81.22	81.22
Add : On account of IND AS Adjustment	0.00	0.00
Less : On account of depreciation	13.54	0.00
Closing Balance	67.68	81.22

2.10 Share Capital:

Particulars	2019		2018	
Authorized Share Capital 1,10,00,000 Equity Shares of Rs.2 each (Previous year :1,10,00,000 Equity Shares of Rs.2 each)	1100.00		1100.00	
Issued Subscribed and Paid up Share Capital 1,02,00,000 Equity Shares of Rs.2 each, fully paid up (Previous year :1,02,00,000 Equity Shares of Rs.2 each, fully paid up)	1020.00		1020.00	
	1020.00		1020.00	
Details of shareholders holding more than 5% shares :	No. of shares	% Holding	No. of shares	% Holding
None of the Shareholder has Shareholding exceeding 5% during the Current year (Previous year :Nil)				

2.10.1 Reconciliation of Number of Shares:

Particulars	2019	2018
Number of Shares at the beginning of the year	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

2.10.2 Rights attached to Equity Shares:

The Company has only one class of equity shares of 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.

2.11 Other Equity:

Particulars	2019	2018
General Reserve		
Opening Balance	0.00	0.00
Add: Transfers during the year	0.00	0.00
	0.00	0.00
Capital Reserve		
Opening Balance	0.00	0.00
Add: Transfers during the year	0.00	0.00
	0.00	0.00
Securities Premium		
Opening Balance	0.00	0.00
Add: Premium received on issue of Shares	0.00	0.00
	0.00	0.00
Money Received against Share Warrants		
Opening Balance	0.00	0.00
Add: Received in Current year	0.00	0.00
	0.00	0.00
Retained Earnings		
Opening Balance	(852.71)	(852.54)
Add: Net profit transferred from the Statement of Profit and Loss	(21.33)	(0.17)
	(874.04)	(852.71)
Adjustments:		
Deferred Tax	-	-
Net change in fair value of FVTPL investments and others	-	-
	-	-
Closing Balance	(874.04)	(852.71)
Total	(874.04)	(852.71)

2.12 Borrowings:

Particulars	2019		2018	
	Current	Non-Current	Current	Non-Current
Secured Borrowings:				
Vijaya Bank Term Loan	0.00	0.00	0.00	0.00
Vijaya Bank Mortgage Loan	0.00	0.00	0.00	0.00
Punjab National Bank Over Draft	0.00	0.00	0.00	0.00
Working Capital Facilities	0.00	0.00	0.00	0.00
Unsecured Borrowings	0.00	0.00	0.00	0.00
Total	0.00	0.00	0.00	0.00

2.13 Trade Payables:

Particulars	2019	2018
	Current	Current
Due to Micro & Small Enterprises		
Dues to others		
For Raw material	0.00	0.00
For Services	7.68	0.00
Total	7.68	0.00

2.14 Other Financial Liabilities:

Particulars	2019	2018
	Current	Current
Creditors For Capital goods	0.00	0.00
Total	0.00	0.00

2.15 Provisions:

Particulars	2019		2018	
	Current	Non-Current	Current	Non-Current
Provision for Gratuity	-	-	-	-
Provision for Tax	-	-	-	-
Total	0.00	0.00	0.00	0.00

2.16 Other Current Liabilities:

Particulars	2019	2018
	Current	Current
Salaries and employee benefits	0.38	0.38
Withholding and other taxes payable	0.00	0.00
Audit fee Payable	1.50	1.50
Other Payables	5.27	4.57
Total	7.15	6.45

2.17 Revenue from Operations:

Particulars	2019	2018
Revenue from :		
Export Sales	0.00	0.00
Domestic Sales	5.48	4.99
Other Operating Revenue	0.00	0.00
Revenue from operations	5.48	4.99

2.18 Other Income:

Particulars	2019	2018
Interest Income	0.00	0.00
Foreign Exchange Gain	0.00	0.00
Miscellaneous Income	0.00	0.00
Total	0.00	0.00

2.19 Cost of materials consumed:

Particulars	2019	2018
Raw Material		
Purchases	2.93	2.60
Add: Opening Stock	0.00	0.00
	2.93	2.60
Less: Closing Stock	0.00	0.00
Total	2.93	2.60

2.20 Changes in Inventories:

Particulars	2019	2018
Work-in-progress		
Opening	0.00	0.00
Closing	0.00	0.00
Total	0.00	0.00

2.21 Employee Benefit Expenses:

Particulars	2019	2018
Salaries and Wages	1.16	1.20
Contribution to provident and other funds	0.00	0.00
Staff welfare	0.00	0.07
Total	1.16	1.27

2.22 Finance Costs:

Particulars	2019	2018
Interest Expense	0.00	0.00
Other borrowing costs	0.00	0.00
	0.00	0.00

2.23 Other Expenses:

Particulars	2019	2018
Freight Inward Charges	0.00	0.00
Power & Fuel	0.00	0.00
Machinery Maintenance	0.00	0.00
Factory Maintenance	0.00	0.00
Transportation charges	0.00	0.00
AMC Charges	0.00	0.00
Audit Fees	0.50	0.50
Lodging & Boarding Expenses	1.30	0.06
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	0.00	0.03
Postage, Courier & Email Charges	0.00	0.01
Listing Fee	6.57	0.00
Insurance	0.00	0.00
Rent	0.00	0.36
Printing & Stationery	0.00	0.04
Analytical & Calibration Charges	0.00	0.00
Telephone and Communication Expenses	0.00	0.02
Security Charges	0.00	0.00
Fright outwards	0.00	0.00
USFDA Fees	0.00	0.00
Other Miss Expenses	0.81	0.26
Total	9.18	1.29

2.24 Earnings per Share:

Particulars	2018-19	2018-18
Profit attributable to equity holders	(21.34)	(0.17)
Number of shares at the beginning of the year	102.00	102.00
Add: Equity shares issued	-	-
Less: Buy back of equity shares	-	-
Total number of equity shares outstanding at the end of the year	102.00	102.00
Weighted average number of equity shares outstanding during the year – Basic	102.00	102.00
Earnings per share of par value Rs.10/- – Basic (`)	(0.209)	(0.002)
Earnings per share of par value Rs.10/- – Diluted (`)	(0.209)	(0.002)

2.25 Auditor's Remuneration:

Particulars	2018-19	2018-18
a) Audit Fee	0.50	0.50
Total	0.50	0.50

2.26 Related Party Transactions:

There were no Related Party transactions during the FY 2018-19.

2.27 Earnings/ Expenditure in foreign currency:
Expenditure in foreign currency:

Particulars	2018-19	2018-18
Purchase of Raw Materials/Packing Materials	0.00	0.00
Other Expenses	0.00	0.00
Total	0.00	0.00

Earnings in foreign currency:

Particulars	2018-19	2018-18
FOB Value of Exports	0.00	0.00
Foreign Exchange Gain	0.00	0.00
Total	0.00	0.00

2.28 Contingent Liabilities and Commitments:

The following are the details of contingent liabilities:

Particulars	2018-19	2018-18
a) Claims against the company/disputed liabilities not acknowledged as debts	0.00	0.00
b) Guarantees	0.00	0.00
Total	0.00	0.00

2.29 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.

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 : 30.05.2019

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

**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**

Serial No.	
Folio No./Client ID/ DP Id	
Name of the sole/ first member(s)	
Registered Address	
Name(s) of joint member(s), if any	
No. of shares held	

I certify that I am/ we am/ are Member(s) / Proxy for the Member(s) of the Company.

Please (v) in the box

Member Proxy

I/ We hereby record my/ our presence at the 22nd Annual General Meeting of the Company on 30th September, 2019 at 09:30 A.M. at 504, Micasa Flora, Durga Enclave, Kompally, Secunderabad, Hyderabad-500014.

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 22nd 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 No.: 16 to the Notice dated 14th August, 2019 convening the AGM for the procedure with respect to e-voting.

**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 22nd Annual General Meeting (AGM) of the Company to be held on Monday, the 30th day of September, 2019 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 No.	Description	Optional (v)	
		For	Against
ORDINARY BUSINESS			
1	Adoption of Audited Financial Statements for the FY 2018-19 together with the Reports of the Board of Directors and Auditors thereon.		
2	Appointment of Mr. Surampudi Pavan Nandan (DIN: 02187696) as Director, who retires by rotation and, being eligible, offers himself for re-appointment		
SPECIAL BUSINESS			
3	Re-appointment of Mr. Dutta Chandra Subhash as Independent Director of the Company		

Signed this _____ day of September, 2019.

Signature of shareholder(s):

Signature of proxy :

Affix
Revenue

NOTES:

1. This form of proxy, in order to be effective, should be duly completed and deposited at the registered office of the Company not less than 48 hours before the commencement of the AGM i.e. by 09:30 A.M. on 28th September, 2019.
2. A person can act as a proxy on behalf of members not exceeding 50 and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy of any other member.

**Baron Infotech Limited**

CIN: L72200TG1996PLC025855

Registered Office: 1-8-313, 4th Floor, Linus Building,
Chiran Fort Lane, Begumpet, Secunderabad - 14● e-mail: info@baroninfotech.com ● Website: www.baroninfotech.com**Form No.MGT-12****POLLING PAPER**

*[Pursuant to Section 109(5) of the Companies Act, 2013 and Rule 21(1)(c) 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,
Name of the member(s)	
Registered Address	
E-mail Id	
Folio No./Client Id/ DP Id	
Number of Equity shares held	

I hereby exercise my vote in respect of Ordinary/Special Resolution(s) enumerated below by recording my assent or dissent to the said Resolution in the following manner:

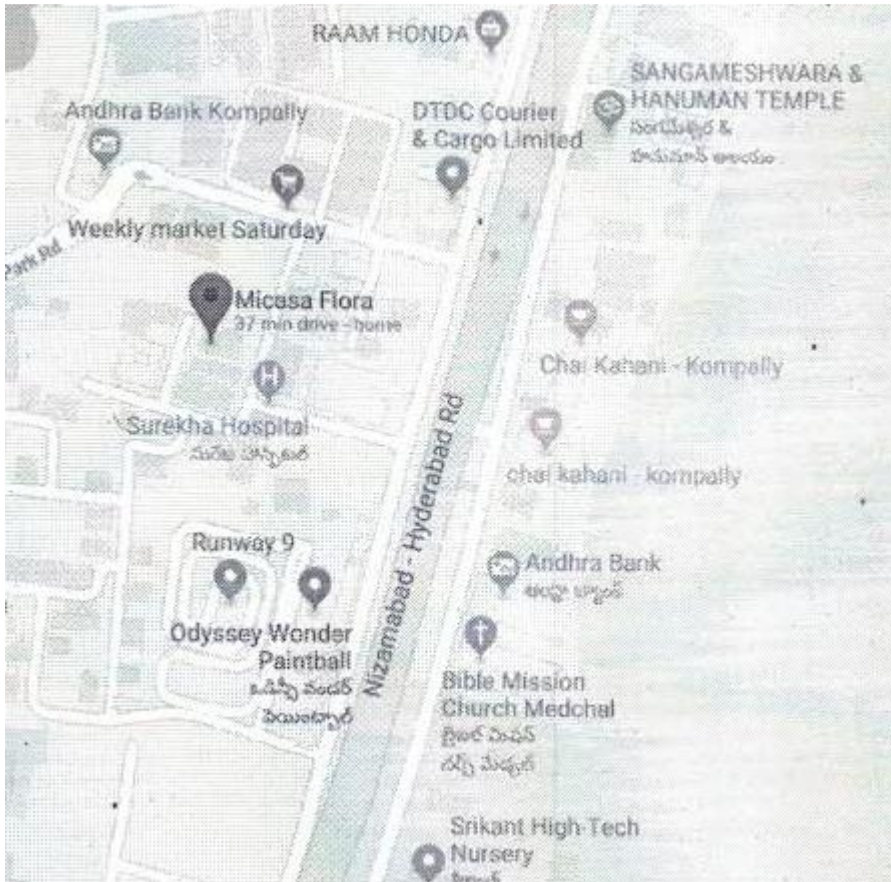
Resolution No.	Description	Optional (v)	
		For	Against
ORDINARY BUSINESS			
1	Adoption of Audited Financial Statements for the FY 2018-19 together with the Reports of the Board of Directors and Auditors thereon.		
2	Appointment of Mr. Surampudi Pavan Nandan (DIN: 02187696) as Director, who retires by rotation and, being eligible, offers himself for re-appointment		
SPECIAL BUSINESS			
3	Re-appointment of Mr. Dutta Chandra Subhash as an Independent Director of the Company		

Place: Hyderabad

Date: 14.08.2019

(Signature of the Shareholder)

ROUTE MAP





If undelivered please return to:

BARON INFOTECH LIMITED

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