



## **Bodhtree Consulting Limited**

### **REGISTERED & CORPORATE OFFICE :**

Block "A" Wing 2, Level 6, Cyber Gateway,  
Madhapur, Hyderabad - 500081, Telangana, INDIA

**TEL :** +91 40 6622 2333 **WEB :** [www.bodhtree.com](http://www.bodhtree.com)

**FAX :** +91 40 6622 2444 **CIN :** L74140TG1982PLC040516

Date: 04 September, 2019

To

**Listing Compliance Department,**

**M/s. BSE Limited,**

P.J.Towers, Dalal Street,

Mumbai – 400 001.

Dear Sir/Madam,

**Sub: Annual Report for the financial year 2018-19**

**Ref: BSE Scrip Code. BODHTREE / 539122**

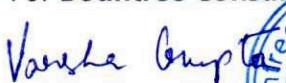
Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the Company for the financial year 2018-19.

The said Annual Report has also been uploaded on the Company's website at [www.bodhtree.com](http://www.bodhtree.com).

We request to take the same on record.

Thanking you

For **Bodhtree Consulting Ltd**

  
Varsha Gupta  
Company Secretary & Compliance Officer



Encl: A/a.



37<sup>th</sup>  
**Annual  
Report**



**2018-2019**

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**CORPORATE INFORMATION****Board of Directors**

Mr. L N Rama Krishna	Managing Director
Mr. Sanjiv Gupta	Non-executive Director
Mrs. L Muneashwari	Non-executive Director
Mr. Katragadda Rajesh	Independent Director
Mr. Srinivas Reddy Mallayagari	Independent Director (Appointed w.e.f. 16.02.2019)
Mr. Muninder Raja Arram	Additional Director (Appointed w.e.f. 14.11.2018)
Mr. Muthukrishnan Swaminathan	Independent Director (Resigned w.e.f. 21.11.2018)

**Chief Financial Officer**

Mr. Prabhakar Rao Kallur (Resigned w.e.f. 18.04.2019)

**Company Secretary & Compliance Officer**

Mr. Varsha Gupta (Appointed w.e.f 01.10. 2018)

**Bankers**

HDFC Bank Ltd  
Indian Overseas Bank

**Registered Office**

Block "A", Wing "2", Level -6, Cyber Gateway,  
HITEC City, Madhapur, Hyderabad- 500 081  
Telangana, INDIA.

Phones: +91-40-66222333

Fax: + 91-40-66222444

Email: cosecy@bodhtree.com

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

CIN: L74140TG1982PLC040516

**Registrar & Share Transfer Agents**

Venture Capital and Corporate Investments  
Private Limited ,  
12-10-167,Bharatnagar,  
Hyderabad-500018  
Ph: 040-23818475/476,  
Fax: 040-23868024  
Email: [info@vccilindia.com](mailto:info@vccilindia.com)

**Statutory Auditors**

M/s. N K R & Co, Chartered Accountants  
6-2-941, Flat No. 205, Mughal's Emami- Mansion,  
Khairatabad, Hyderabad, Telangana - 500 004,  
India

**Internal Auditors**

M/s. Srinivas & Poorna, Chartered Accountants,  
Ameerpet, Hyderabad, Telangana, India

**Secretarial Auditors**

M/s. P. S. Rao & Associates  
Company Secretaries  
Flat No.10, 4th Floor, D. No.6-3-347/22/2  
Ishwarya Nilayam, Opp. Sai Baba Temple,  
Dwarakapuri Colony, Punjagutta,  
Hyderabad – 500 082, T.S., India

**Listed with**

M/s. BSE Limited (Stock Exchange), Mumbai

**BOARD COMMITTEES****Audit Committee**

Mr. Rajesh Katragadda	Chairman
Mr. Srinivas Reddy Mallayagari	Member (Appointed w.e.f. 16.02.2019)
Mrs. Muneashwari Lakkimsetti	Member
Mr. Muthukrishnan Swaminathan	Member (Resigned w.e.f. 21.11.2018)

**Stakeholders Relationship Committee**

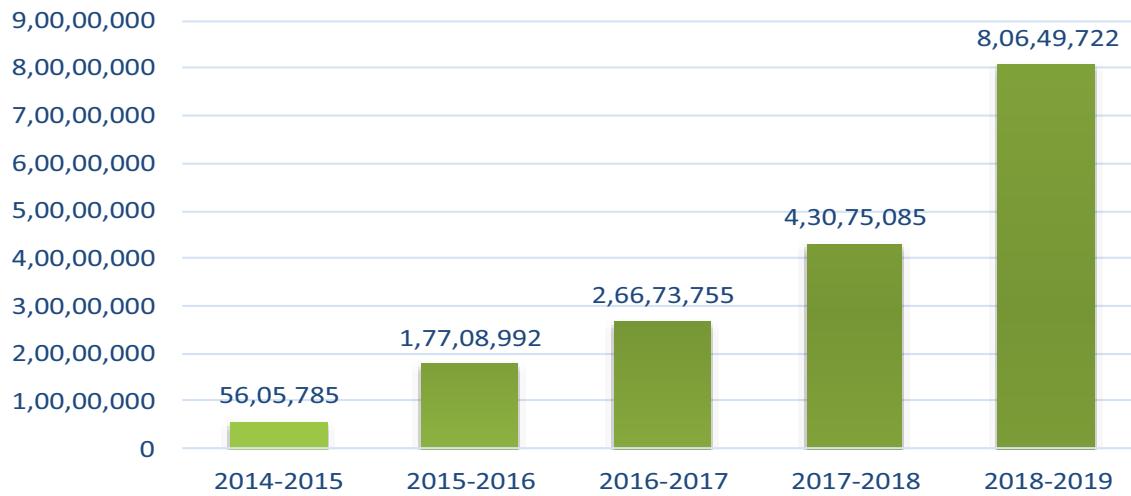
Mr. Rajesh Katragadda	Chairman
Mr. Srinivas Reddy Mallayagari	Member (Appointed w.e.f. 16.02.2019)
Mrs. Muneashwari Lakkimsetti	Member
Mr. Muthukrishnan Swaminathan	Member (Resigned w.e.f. 21.11.2018)

**Nomination and Remuneration Committee**

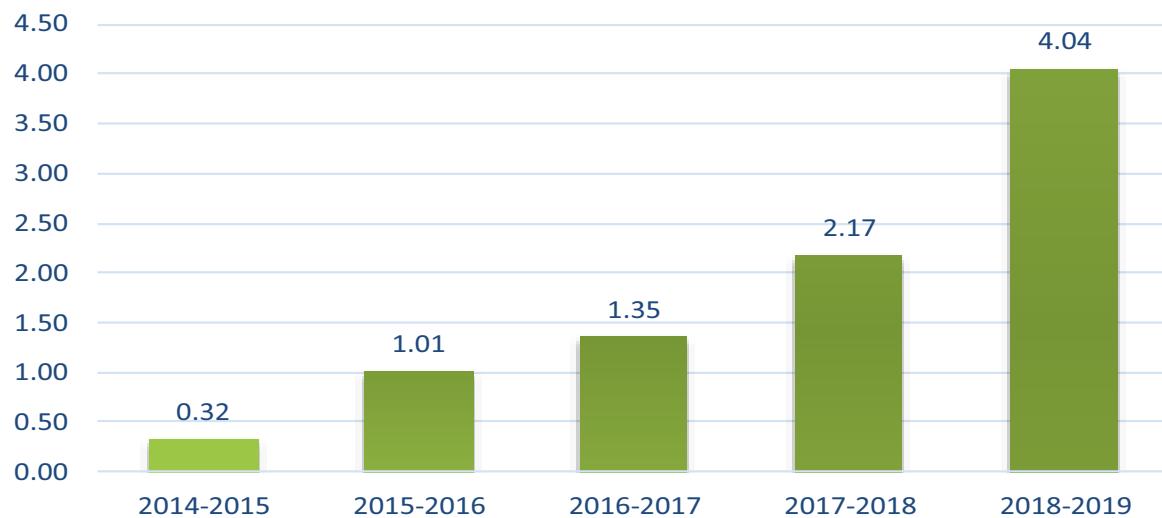
Mr. Rajesh Katragadda	Chairman
Mr. Srinivas Reddy Mallayagari	Member (Appointed w.e.f. 16.02.2019)
Mr. Sanjiv Gupta	Member
Mr. Muthukrishnan Swaminathan	Member (Resigned w.e.f. 21.11.2018)

**Risk Management Committee**

Mr. Rajesh Katragadda	Chairman
Mrs. Muneashwari Lakkimsetti	Member
Mr. Muthukrishnan Swaminathan	Member (Resigned w.e.f. 21.11.2018)
Mr. Srinivas Reddy Mallayagari	Member (Since 16.02.2019)

**PERFORMANCE OF THE COMPANY OVER THE LAST 5 FINANCIAL YEARS****Profit After Tax (in INR)****Total Income (in INR)**

### Earning Per Share (in INR)



### Net Profit Margin %



**NOTICE**

Notice is hereby given that the Thirty Seventh Annual General Meeting of the Members of Bodhtree Consulting Limited will be held at **Crystal-I, Radisson**, HITEC City, Gachibowli, Hyderabad, Telangana State, India, 500 032 on **Saturday, the 28<sup>th</sup> day of September, 2019** at **09.30 A.M.** to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt:
  - a. the Audited Financial Statements of the Company for the financial year ended 31 March, 2019, together with the Reports of Board of Directors and Auditors thereon; and
  - b. the Audited Consolidated Financial Statements of the Company for the financial year ended 31 March, 2019, together with the Report of Auditors thereon.
2. To appoint a Director in place of Mr. L N Rama Krishna (DIN: 03623543) who retires by rotation and being eligible, offers himself for re-appointment.
3. Appointment of Statutory Auditors

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

**“RESOLVED THAT** pursuant to the provisions of Section 139, 142 of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modifications(s) or re-enactment (s) thereof, for the time being in force), M/s NSVR & Associates LLP, Chartered Accountants, Firm Registration No: 008801S/S200060, be and are hereby appointed as the statutory auditors of the Company in place of the retiring auditors for a term of five consecutive years from the conclusion of this AGM to the conclusion of the sixth consecutive AGM at such remuneration as shall be fixed by the Board of Directors of the Company.”

**SPECIAL BUSINESS:**

4. **Appointment of Mr. Muninder Raja Arram (DIN: 07962171) as Director of the Company**

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** Mr. Muninder Raja Arram (DIN 07962171) who was appointed by the Board of Directors as an Additional Director of the Company with effect from November 14, 2018 and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 (“Act”) and Articles of Association of the Company and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing her candidature for the office of Director of the Company, be and is hereby appointed as Director of the Company, liable to retire by rotation.”

**5. Appointment of Mr. Srinivas Reddy Mallayagari (DIN: 08070053) as Independent Director of the Company.**

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

**"RESOLVED THAT** Srinivas Reddy Mallayagari(DIN 08070053) who was appointed by the Board of Directors as an Additional Director of the Company with effect from February 16, 2019 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 ("Act") and Article of Association of the Company and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as Director of the Company."

**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Act, the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, the appointment of Srinivas Reddy Mallayagari, who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder, and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to that effect, and who is eligible for appointment as an Independent Director of the Company, not liable to retire by rotation, for a term of five years commencing February 16, 2019 to February 15, 2024, be and is hereby approved."

**6. Approval for Further Issuance of Securities:**

To Consider and, if thought fit, to pass, with or without modification, the following resolution as Special Resolution:

**"RESOLVED THAT** pursuant to the provisions of Sections 42 and 62(1) read with the rules and regulations made thereunder and other applicable provisions, if any, of the Companies Act, 2013(including any amendments, statutory modification(s) and/ or re-enactment thereof for the time being in force) ("Companies Act"), the relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (including any amendment, modification, variation or re-enactment thereof) ("ICDR Regulations") and in accordance with the provisions of the Memorandum and Articles of Association of the Company, the ICDR Regulations, the applicable equity listing agreements entered into by the Company with the stock exchange where the equity shares of the Company of face value of Rs. 10 each ("Equity Shares") are listed or are currently proposed to be listed, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the extent applicable, the provisions of the Foreign Exchange Management Act, 1999, including any amendments, statutory modification(s) and/ or re-enactment thereof ("FEMA") and the Foreign Exchange Management (Transfer or Issue of Securities by a Person Resident outside India) Regulations, 2000 including any amendments, statutory modification(s) and/ or re-enactment thereof, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipt Mechanism) Scheme, 1993, as amended ("FCCB Scheme") and the Depository Receipts Scheme, 2014

("GDR Scheme") and all other applicable statutes, rules, regulations, guidelines, notifications, circulars and clarifications as may be applicable, as amended from time to time, issued by the Government of India ("GOI"), Ministry of Corporate Affairs ("MCA"), the Reserve Bank of India ("RBI"), BSE Limited and National Stock Exchange of India Limited ("Stock Exchanges"), the Securities and Exchange Board of India ("SEBI"), and/ or any other regulatory/ statutory authorities, in India or abroad from time to time, to the extent applicable and subject to the consents and approvals of any regulatory/ statutory authorities and guidelines and clarifications issued thereon from time to time and subject to such conditions and modifications as may be prescribed by any of them while granting such approvals, permissions, consents and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any committee(s) constituted/ to be constituted by the Board to exercise its powers including powers conferred by this resolution), the Company be and is hereby authorized to offer, issue and allot (including with provisions for reservations on firm and/ or competitive basis, for such part of issue and for such categories of persons as may be permitted) such number of Equity Shares, global depository receipts ("GDRs"), American depository receipts ("ADRs"), foreign currency convertible bonds ("FCCBs") and/or other securities convertible into Equity Shares (including warrants, or otherwise), fully convertible debentures, partly convertible debentures, non-convertible debentures with warrants and/or convertible preference shares or any security convertible into Equity Shares(hereinafter referred to as "Securities"),or any combination thereof, in one or more tranches, in the course of Indian and / or international offering(s) in one or more foreign markets, for cash, at such price or prices, at market price(s) or at a discount, as may be permissible under applicable law or premium to market price(s) in terms of the applicable regulations and as permitted under the applicable laws, in such manner in consultation with the merchant banker(s) and/ or other advisor(s) or otherwise, for an aggregate amount up to Rs. 100 crores (Rupees One Hundred crores only) by way of a public issue or a private placement, including a qualified institutions placement ("QIP") in accordance with the provisions of Chapter VIII of the ICDR Regulations, to such investors that may be permitted to invest in such issuance of Securities, including eligible qualified institutional buyers ("QIBs") as defined in the ICDR Regulations, document(s), whether or not such investors are members of the Company, to all or any of them, jointly or severally through an offer/placement document and/or other letter or circular ("Offering Circular") as may be deemed appropriate, in the sole discretion by the Board in such manner and on terms and conditions, including the terms of the issuance, security, fixing of record date, and at a price not less than the price calculated as per the applicable pricing formulae and as may be permitted by the relevant regulatory/ statutory authority, together with any amendments and modifications thereto, but without requiring any further approval or consent from the shareholders.

**FURTHER THAT** the relevant date for the purpose of pricing the Securities shall be the meeting in which the Board decides to open the issue of such Securities, subsequent to the receipt of shareholders' approval in terms of the Companies Act, the ICDR Regulations, the FCCB Scheme, the GDR Scheme and other applicable laws, regulations and guidelines. In the event that convertible securities (as defined under the ICDR Regulations) are issued to QIBs by way of a QIP, the relevant date for the purpose of pricing of such securities shall be either the date of the meeting in which the Board decides to open the issue of such convertible securities or the date on which the holders of such convertible securities become entitled to apply for the Equity Shares.

**FURTHER THAT** price determined for a QIP shall be subject to appropriate adjustments as per the provisions of Regulation 85(4) the ICDR Regulations, if required.

**FURTHER THAT** in the event the proposed issuance of Securities ("Issue") is undertaken by way of a QIP, the allotment of Securities (or any combination of the Securities as decided by the Board) shall only be to QIBs, such Securities shall be fully paid-up and the allotment of such Securities shall be completed within 12 (twelve) months from the date of this resolution approving the QIP or such other time as may be allowed under the ICDR Regulations from time to time and at such price being not less than the price determined in accordance with the pricing formula provided under Chapter VIII of the ICDR Regulations and the Securities shall not be eligible to be sold by the allottees pursuant to the QIP for a period of 12 (twelve) months from the date of allotment, except on a recognized stock exchange, or as may be permitted from time to time under the ICDR Regulations. Furthermore, the Board may, at its absolute discretion, issue Securities at such discount to the floor price as determined in accordance with the ICDR Regulations.

**FURTHER THAT** the Company and/or any agency or body authorized by the Company may issue ADRs or GDRs representing the underlying Equity Shares or other securities issued by the Company, in registered form with such features and attributes as are prevalent in international capital markets for instruments of this nature and to provide for the tradability or free transferability thereof as per the international practices and regulations, and under the forms and practices prevalent in the international markets including filing any registration statement and any amendment thereto with the respective regulatory authorities.

**FURTHER THAT** the Board be and is hereby authorized to issue and allot such number of Equity Shares as may be required to be issued and allotted upon conversion of any Securities or as may be necessary in accordance with the terms of the proposed offering; and all such Equity Shares shall rank pari-passu with the existing Equity Shares of the Company in all respects and the Board is further authorized to execute necessary documents for the purpose of listing the Equity Shares on the Stock Exchanges.

**FURTHER THAT** without prejudice to the generality of the above, the Securities may have such features and attributes or any terms or combination of terms in accordance with domestic and international practices to provide for the tradability and free transferability thereof as per the prevailing practices and regulations in the capital markets including but not limited to the terms and conditions in relation to payment of interest, additional interest, premium on redemption, prepayment and any other debt service payments whatsoever including terms for issue of additional Equity Shares or variation of the conversion price of the Securities during the duration of the Securities and the Board be and is hereby authorised in its absolute discretion, in such manner as it may deem fit, to dispose of such of the Securities that are not subscribed. Furthermore, the Board is hereby authorized to enter into and execute all such arrangements/agreements as the case may be with any lead managers, managers, underwriters, advisors, guarantors, depositories, custodians and all such agencies as may be involved or concerned in such offerings of the Securities and to remunerate all such agencies including payment of commissions, brokerage, fees or the like, and also to the seek the listing of such Securities in one or more stock exchanges in India and/or overseas as the case may be.

**FURTHER THAT** a duly constituted committee of the Board of Directors be and are hereby authorized to do all such acts, deeds, actions and sign such documents as may be required in furtherance of, or in relation to, or ancillary to, the Issue, including authorizing any director(s) or officer(s) of the Company to sign offer documents, execute any necessary documents, agreements, forms, deeds, appoint of intermediaries, open and close the period of subscription of the Issue, determine the issue price in respect of the Securities, file any necessary forms with regulatory authorities and allot the Securities and to amend, vary or modify any of the above as such committee of the Board of Directors or such authorised persons may consider necessary, desirable or expedient.

**FURTHER THAT** any Director of the Company and the Company Secretary, be and are hereby severally authorised to file/ submit such application(s) to RBI and/or SEBI and/ or stock exchanges and/or such other regulatory/statutory authorities, as may be required, for intimating/ seeking their approval in respect of the Issue, to sign such documents as may be required in furtherance of, or in relation to, or ancillary to, the Issue, and to do all such acts, deeds, matters and things and execute such papers, deeds and documents as may be necessary or expedient for the aforesaid purpose."

**By Order of the Board  
For Bodhtree Consulting Ltd**

Place: Hyderabad

Date: 14.08.2019

**L N Rama Krishna**  
Managing Director  
DIN: 03623543

**Notes:**

1. **A member entitled to attend and vote at this Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote on a poll instead of himself and such proxy need not be a member of the Company.** Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The instrument of Proxy, in order to be effective, must be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Report.
2. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Businesses to be transacted at the AGM is annexed hereto.
3. Pursuant to the provisions of Section 124 of the Companies Act 2013, the details of unpaid/unclaimed dividends lying with the Company as on the last Annual General Meeting of the Company is available on the website of the Company. Shareholders are requested to ensure that they claim the dividend(s) from the Company before transfer to the Investor Education and Protection Fund. The seven year period of "Unpaid and Unclaimed dividend for the year 2016-17 and 2017-18 expires on 26 August, 2024 and 19<sup>th</sup> October 2025 respectively and the same will be transferred to the "Investor Education and Protection Fund".
4. Members/proxies/authorized representatives are requested to bring their copies of Annual Report and produce duly filled in attendance slip at the entrance of the venue. Members holding shares in Demat form shall write their DP ID No. and Client ID and those holding in Physical form shall write their Folio No. in the attendance slip for attending the meeting. Copies of Annual Reports will not be provided at the meeting.
5. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board resolution to the Company, authorizing their representative to attend and vote on their behalf at the meeting.
6. The International Securities Identification Number (ISIN) allotted to the Company's equity shares is **INE104F01011**. Trading in the equity shares of the Company through Stock Exchanges was made compulsory in dematerialized form. Shareholders are advised to open demat accounts with any of the Depository Participants (DPs) of their choice registered with NSDL and CDSL and convert their physical holding into electronic holding.
7. No dividend on equity shares has been recommended by the Board of Directors for the financial year ended 31<sup>st</sup> March, 2019.
8.
  - a) The members who are holding shares in physical form are requested to intimate any change in their address with pin code immediately either to the Company or to the Registrar & Share Transfer Agent.
  - b) The members who are holding shares in demat form are requested to intimate any change in their address with pin code immediately to their Depository Participants
9. Non-Resident Indian Members are requested to inform the Company's registrar & Transfer Agent (RTA), Venture Capital and Corporate Investments Private Limited (VCCIPL), immediately of:
  - a. Change in their residential status on return to India for permanent settlement

- b.** Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the Bank with pin code number, if not furnished earlier.
- 10. The Register of Director and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the Members at the AGM.
- 11. All relevant documents referred in the accompanying Notice and explanatory statement are open for inspection to the Members at the Registered Office of the Company during business hours between 11.00 a.m. to 1.00 p.m. on all days except Saturdays, Sundays and Public Holidays up to the date of the AGM.
- 12. The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to VCCIPL.
- 13. To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with VCCIPL/Depository Participant to enable the Company to send communications electronically.
- 14. The Notice of the AGM along with the Annual Report 2018-19 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/ Depository Participant, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
- 15. Members may also note that the Notice of the 37<sup>th</sup> AGM and the Annual Report 2018-19 will be available on the Company's website, [www.bodhtree.com](http://www.bodhtree.com). The physical copies of the documents will also be available at the Company's registered office for inspection during normal business hours on working days. Members desiring any information as regards accounts are requested to write to the Company to: [cosecy@bodhtree.com](mailto:cosecy@bodhtree.com), at least seven days before the date of the meeting to enable the management to keep the information ready at the meeting.
- 16. Pursuant to the requirement under Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the information about the directors proposed to be re-appointed / appointed is given in **Annexure – A** to the notice.
- 17. **Instruction about Voting:**

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

**A) Voting through electronic means:**

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company is providing Members a facility to exercise their right to vote at the Physical Ballot by

electronic means through e-Voting Services provided by Central Depository Services (India) Limited (CDSL):

**The instructions for e-voting are as under:**

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on "Shareholders" tab.
- (iii) Select the "**BODHTREE CONSULTING LIMITED**" from the drop down menu and click on "**SUBMIT**"
- (iv) Enter your User ID - For CDSL: 16 digits beneficiary ID, For NSDL: 8 Character DP ID followed by 8 Digits Client ID, Members holding shares in Physical Form should enter Folio Number registered with the Company and then enter the Captcha Code as displayed and Click on Login.
- (v) If you are holding shares in Demat form and had logged on to **www.evotingindia.com** and voted on an earlier voting of any Company, then your existing password is to be used.

**If you are a first time user follow the steps given below.**

- (vi) Fill up the following details in the appropriate boxes:

<b>PAN*</b>	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders).
<b>DOB#</b>	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.

\* Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the sequence number (available in the Address Label pasted in the cover and/or in the e-mail sent to Members) in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name. Eg. If your name is Rama with sequence number 1 then enter RA00000001 in the PAN Field.

# Please enter any one of the details in order to login. In case both the details are not recorded with the depository or Company, please enter the Member id / folio number in the Dividend Bank details field.

- (vii) After entering these details appropriately, click on "**SUBMIT**" tab.
- (viii) Members holding shares in physical form will then reach directly the Company selection screen. However, Members holding shares in demat form will now reach 'Set Password' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the relevant **EVSN** for **BODHTREE CONSULTING LIMITED**.

- (xi) On the voting page, you will see Resolution Description and against the same the option "**YES/NO**" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
  - (xii) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.
  - (xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
  - (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
  - (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
  - (xvi) If Demat account holder has forgotten the changed password then enter the User ID and Captcha Code click on Forgot Password & enter the details as prompted by the system.
  - (xvii) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates. After receiving the login details they have to link the account(s) which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the Scrutinizer to verify the same.
- I. The voting period begins on **25<sup>th</sup> September, 2019 (9.00 A.M.) and ends on 27<sup>th</sup> September, 2019 (5.00 P.M.)**. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as of 20<sup>th</sup> September (i.e., the cut-off date) may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- II. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help Section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- III. 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 20<sup>th</sup> September, 2019.
- IV. **Ms. N Vanitha, Practising Company Secretary (C.P. No: 10573)**, has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

**B) Other Instructions:**

- I. The Scrutinizer will collate the votes downloaded from the e-voting system to declare the final result for each of the Resolutions forming part of the Annual General Meeting Notice.
- II. The results of the voting shall be declared on or after the Annual General Meeting of the Company. The Results declared, along with the Scrutinizer's Report, shall be placed on the Company's website [www.bodhtree.com](http://www.bodhtree.com) and be communicated to the Stock Exchanges where the Company is listed, viz. M/s. BSE Ltd.

III. Members may address any query to Ms. Varsha Gupta, Company Secretary at the Registered Office of the Company, Tel. No.040-66222333, e-mail address: [cosecy@bodhtree.com](mailto:cosecy@bodhtree.com), Website: [www.bodhtree.com](http://www.bodhtree.com).

**By Order of the Board  
For Bodhtree Consulting Ltd**

Place: Hyderabad

Date: 14.08.2019

**L N Rama Krishna**  
Managing Director  
DIN: 03623543

### **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

#### **Item No 3.**

#### **Appointment of Statutory Auditors of the Company**

M/s Nisar & Kumar, Chartered Accountants were appointed as Statutory Auditors of the Company for a period of 5 consecutive years at the 32<sup>nd</sup> Annual General Meeting (AGM) of the Company held on 23<sup>rd</sup> December, 2014. Their term of five years expires at this ensuing AGM and the Board recommends to appoint new Auditors in place of the retiring auditor.

In consideration of the above, the Board of Directors upon the recommendation of the Audit Committee at its meeting held on 14<sup>th</sup> August, 2019 recommended the appointment of M/s NSVR & Associates LLP, Chartered Accountants, Hyderabad as the Statutory Auditors of the Company for a period of 5 years, commencing from the conclusion of the 37<sup>th</sup> AGM. The said recommendation is forming part of the Notice to the 37<sup>th</sup> Annual General Meeting for approval of members of the Company.

M/s NSVR & Associates LLP is a Chartered Accountants firm with Registration No. 008801S/S200060. The firm is having close to two decades of experience in the field of Audit, Taxation (Direct and Indirect), Internal Financial Control Review, Financial Advisory, Management Consulting, Financial restructuring, Business Modeling, System Design Management Support Services. The firm has a strong team of 8 partners and 40+ professional staff (qualified and semi-qualified Chartered Accountants).

The Proposed fees payable to the Statutory Auditors is Rs. 5 Lakhs per annum excluding taxes as applicable and out of pocket expenses. There is not a comparative change in the fee to the new auditor visà-vis the outgoing Auditor.

The Audit Committee considered various parameters like capability to serve the business landscape of the Company, audit experience in the Company's operating segments, market standing of the firm, clientele served, technical knowledge etc. and found NSVR & Associates LLP to be best suited to handle the scale, diversity and complexity associated with the audit of the financial statements of the Company.

M/s. NSVR & Associates LLP, Chartered Accountants, have consented to the said appointment and confirmed that their appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act. They have further confirmed that they are not disqualified to be appointed as statutory auditors in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014.

**Item No. 4****Appointment of Muninder Raja Arram as Director of the Company**

Mr. Muninder Raja Arram was appointed as an Additional Director of the Company by the board of Directors at its meeting held on 14<sup>th</sup> November, 2018 based on the recommendation of Nomination and Remuneration Committee in accordance with the provisions of Section 161 of the Companies Act, 2013, he shall hold office upto the date of the forthcoming Annual General Meeting of the Company and is eligible to be appointed as a Director of the Company.

In this regard the Company has received a request in writing from a member of the company proposing candidature of Mr. Muninder Raja Arram for appointment as Director of the Company in accordance with the provisions of Section 160 and all other applicable provisions of the Companies Act, 2013.

Mr. Muninder Raja Arram 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 Director.

A brief profile of Mr. Muninder Raja Arram, as required pursuant to the Regulation 36 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards-2 is annexed to this notice.

The resolution seeks the approval of the shareholders for the appointment of Mr. Muninder Raja Arram as a Director of the Company, liable to retire by rotation.

None of the Directors or Key Managerial Personnel and their relatives, except Mrs. Muneashwari Lakkimsetti being his relative and Mr. Muninder Raja Arram being the appointee is concerned or interested in this Resolution. The Board commends the Ordinary Resolution set out at item No. 4 of the accompanying notice for approval of the Members.

**Item No.5****Appointment of Mr. Srinivas Reddy Mallayagari (DIN: 08070053) as Independent Director of the Company:**

Mr. Srinivas Reddy Mallayagari was appointed as an Additional Director of the Company by the Board of Directors at its meeting held on 16<sup>th</sup> February, 2019 under Section 161 of the Act. Mr. Srinivas Reddy Mallayagari holds office up to the date of the forthcoming Annual General Meeting and is eligible to be appointed as an Independent Director. In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of an Independent Director requires approval of members.

The Company has received a declaration of independence from Mr. Srinivas Reddy that he meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Mr. Srinivas Reddy Mallayagari is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director.

Further, in this regard, the Company has received a notice in writing under the provisions of Section 160 of the Act, from a member proposing the candidature of Mr. Srinivas Reddy Mallayagari for the office of Director.

A brief profile of Mr. Srinivas Reddy Mallayagari, as required pursuant to the Regulation 36 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards-2 is annexed to this notice.

None of the Directors or Key Managerial Personnel and their relatives, except Mr. Srinivas Reddy Mallayagari, being the appointee is concerned or interested in this Resolution. The Board commands the ordinary resolution set out at item No. 5 of the accompanying notice for approval of members.

**Item No. 6****Approval for further issuance of securities.**

Members may note that this special resolution is to enable the Company to create, issue, offer and allot Equity Shares, GDRs, ADRs, Foreign Currency Convertible Bonds ("FCCBs"), and/or other securities convertible into Equity Shares (including warrants, or otherwise), fully convertible debentures, partly convertible debentures, nonconvertible debentures with warrants and/or convertible preference shares or any security convertible into Equity Shares and such other securities as stated in the resolution ("Securities") or any combination thereof, by way of a public issue or a private placement, including by way of a qualified institutions placement ("QIP") in accordance with Chapter VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("SEBI ICDR Regulations"), in one or more tranches, at such price as may be deemed appropriate by the Board in its absolute discretion including the discretion to determine the categories of investors to whom the issue, offer, and allotment shall be made considering the prevalent market conditions and other relevant factors and wherever necessary, in consultation with lead manager(s) and other agencies that may be appointed.

This special resolution is an enabling resolution and therefore the proposal seeks to confer upon the Board (including a committee thereof) the absolute discretion to determine the terms of the aforementioned issuance of Securities, including the exact price, proportion and timing of such issuance, based on an analysis of the specific requirements. The detailed terms and conditions of such issuance will be determined by the Board or a committee thereof, in consultation with the advisors, lead managers and such other authorities as may be required, considering prevailing market conditions, practices and in accordance with the applicable provisions of law.

This special resolution enables the Company to issue Securities for an aggregate amount not exceeding Rs. 100 Crores (Rupees One Hundred crores only) or its equivalent in any other foreign currencies.

In the event such issuance of Securities is undertaken by way of a QIP, the allotment of Securities shall be completed within a period of 12 months from the date of passing this resolution.

The proceeds of such issuance of Securities shall be utilized to meet, amongst other things, capital expenditure of the Company and any of its subsidiaries, including any acquisition opportunities, working capital requirements of the Company and general corporate purposes.

In the event that the issuance of the Securities is undertaken by way of a QIP, the pricing shall be subject to such price not being less than the floor price calculated in accordance with Chapter VIII of the SEBI ICDR Regulations ("QIP Floor Price").

Provided that, the Company may offer a discount of not more than 5% or such other percentage, as may be permitted, on the QIP Floor Price, calculated in accordance with the SEBI ICDR Regulations. Alternatively, issuances of FCCBs or ADRs / GDRs shall be subject to pricing requirements prescribed under the FCCB Scheme or GDR Scheme, as applicable.

The "relevant date" for the purpose of pricing the Securities shall be the meeting in which the Board or a committee thereof decides to open the issue of such Securities, subsequent to the receipt of this shareholders' approval in terms of the Companies Act, the ICDR Regulations, the FCCB Scheme, the GDR Scheme and other applicable laws, regulations and guidelines. In the event that convertible securities (as defined under the ICDR Regulations) are issued to QIBs by way of a QIP, the relevant date for the purpose of pricing of such securities shall be either the date of the meeting in which the Board or a committee thereof decides to open the issue of such convertible securities or the date on which the holders of such convertible securities become entitled to apply for the Equity Shares.

As the issuance of Securities may result in the issue of Equity Shares of the Company to investors who may or may not be members of the Company, consent of the members is being sought pursuant to Section 42 and 62(1) and other applicable provisions, if any, of the Companies Act, 2013 and any other law for the time being in force and being applicable and in terms of the provisions of the equity listing agreement entered into by the Company with the stock exchanges where the Equity Shares of the Company are listed, and are proposed to be listed, and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the extent applicable.

The Board believes that the proposed offering is in the interest of the Company and therefore recommends the Special Resolution set out at Item No. 6 of the Notice for approval by the members.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is directly or indirectly concerned or interested in this Resolution.

**By Order of the Board  
For Bodhtree Consulting Ltd**

Place: Hyderabad  
Date: 14.08.2019

**L N Rama Krishna**  
Managing Director  
DIN: 03623543

**Annexure-A**

Details of Directors as on March 31, 2019 seeking appointment/ re-appointment/ regularization at the Annual General Meeting (Pursuant to Reg. 36 (3) of SEBI (LODR) Regulations, 2015) are given below:

A	Name	Muninder Raja Arram	Mr. Lakkimsetti Naga Ramakrishna	Srinivas Reddy Mallayagari
B	Brief Resume			
	i) Age	42 years	52 years	45 years
	ii) Educational Qualification	B.Tech(Electronics and Instrumentation)and Masters in Computer Science from USA	Master's Degree in Business Management	Bachelors Degree in Computer Science and Engineering
	iii) Experience/Experience in specific functional area	He has over 19 years of experience in product development, e-commerce, cloud enablement & CI CD (DevOps)	He has 24 years of industry experience on various business applications including ERP systems.	He has extensive experience on Design & Development of Web tier, Business tier, Middleware, Application Integration and Data Base tiers of highly scalable and distributed enterprise applications
	iv) Date of appointment on the board of the Company (Bodhtree Consulting Ltd)	14 <sup>th</sup> November, 2018 (DIN: 07962171)	24 <sup>th</sup> January, 2015 (DIN No: 03623543)	16 <sup>th</sup> February, 2019 (DIN: 08070053)
	v) Last Remuneration drawn	NA	57,97,000	NA
C	Nature expertise of in functional area	He has led cloud enablement program across various IT teams in IaaS and PaaS. He has also led innovation initiatives and Patent generation for Dell Digital & Global Services Organisation.	He has worked with and managed Big 5 consulting Companies' resources and has been responsible for introducing cutting-edge products in industries. His experience spans across various Companies including Symantec, Juniper	He successfully served his stakeholders to build up architecture framework that supports processes, strategy, and IT assets with business targets, spearheading delivery on digital

			Networks, and Silver Spring Networks.	transformations for government agencies. He has a Strong expertise in creating guidelines and best practices for developing, selecting, and implementing information systems within enterprise.
D	Terms and conditions of appointment/re-appointment along with details of remuneration	He was Appointed as an Additional Director in the Board meeting held on 14 <sup>th</sup> November, 2018 in the capacity of Non-Executive Director of the Company	The original date of appointment as Managing Director was 24 <sup>th</sup> January, 2015 and his term of appointment was revised through postal ballot passed on 25 <sup>th</sup> November, 2016 whereby he was appointed as Managing director of the Company for a term of 3 years w.e.f. 1 <sup>st</sup> December, 2016.	He was Appointed as an Additional Director in the Board meeting held on 16th February, 2019 in the capacity of Non-Executive Independent Director of the Company
E	Number of Board meetings attended during the year	Two out of 6 meetings	Six out of six meetings	Nil
F	Directorship held in other Companies (excluding foreign and Section 8 Companies)	1. Genial Associates Private Limited 2. Rewasys Consulting Private Limited	Nil	Genial Associates Private Limited
G	Chairmanship/ Membership of committees of other Companies (includes only Audit, Stakeholders Relationship and Nomination & Remuneration Committee)	Nil	Nil	Nil
H	No. of shares of Rs.10/- each held by the Director	11955 shares	Nil	Nil

I	Relationship between Directors inter se (As per section 2(77) of the Companies Act, 2013 and Companies (Specification of definitions details) Rules, 2014)	Mrs Muneashwari Lakkimsetti (Brother)	Mrs. Muneashwari Lakkimsetti (Spouse)	None
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## DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the *Thirty Seventh Annual Report* of Bodhtree Consulting Limited (the "Company" or "Bodhtree") on the business and operations and the Audited Accounts for the financial year ended 31 March, 2019, together with the Auditors' Report thereon. Consolidated performance of the Company and its subsidiaries has been referred to wherever required.

### **1. Financial Summary:**

Your Company's results (Standalone and consolidated) for the year in comparison with the previous year are given below in a summarized format:

<b>Particulars</b>	<b>Standalone</b> <i>(Re. in Lakhs)</i>		<b>Consolidated</b> <i>(Re in lakhs)</i>	
	<b>2018-19</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2017-18</b>
Income from Operations	11628.84	11449.51	11635.23	11449.51
Other Income	264.79	22.95	264.79	22.95
<b>Total Income</b>	<b>11893.64</b>	<b>11472.46</b>	<b>11900.02</b>	<b>11472.46</b>
Operating Expenditure	10049.14	10235.25	10084.34	10235.78
Profit before depreciation & Tax	1844.50	1237.21	1815.68	1236.68
Depreciation	585.99	579.28	585.99	579.28
<b>Operating Profit</b>	<b>1258.51</b>	<b>657.93</b>	<b>1229.69</b>	<b>657.40</b>
Prior Period & Exceptional Items	0	0	0	0
Profit before Tax & Extra-Ordinary Items	1258.51	657.93	1229.69	657.40
Extra-ordinary Items	0	0	0	0
Tax Expense / (Reversal)	446.18	214.98	446.19	214.98
<b>Profit (Loss) after tax</b>	<b>812.33</b>	<b>442.95</b>	<b>783.50</b>	<b>442.42</b>
Other Comprehensive Income	(5.83)	(12.20)	(5.82)	(12.20)
<b>Total Comprehensive Income</b>	<b>806.50</b>	<b>430.75</b>	<b>777.68</b>	<b>430.22</b>

### **2. Company's Performance:**

During the year under review the Company reported a total income of Re. 11893.64 Lakhs against Re. 11472.46 Lakhs in the previous year. The Operating profit amounted to Re. 1248.51 Lakhs as against operating profit of Re. 657.93 Lakhs in the previous year. The Company reported profit primarily due to the measures brought in by the management to reduce operational costs without compromising the ability to earn and grow further.

### **3. General Reserve:**

The Company has not proposed to transfer any amount to the general reserve for the Financial Year ended 31 March, 2019.

**4. Dividend:**

Your Directors regret to inform that they do not recommend any dividend for the financial year 2018-19. The Company is in its growth phase and hence needs to maintain the growth capital and meet its growth opportunities.

**5. Share Capital:**

The Paid-up Share Capital of the Company as on 31 March, 2019 is Re. 19,95,82,360/ and there has been no change in the capital structure of the Company during the year 2018-19.

**6. Listing of Company's Equity Shares:**

The Company's Equity shares are listed with M/s. BSE Limited (Stock Exchange), Phiroze JeeJebhoy Towers, Dalal Street, Mumbai – 400 001.

The Company has paid the Annual Listing Fees to the said Stock Exchange for the Financial Year 2019-20 on 02 August, 2019.

**7. Change in the Nature of Business:**

There is no change in the nature of the business of the Company during the year under review.

**8. Subsidiaries, Joint Ventures and Associate Companies:**

During the year under review, the Company is having one wholly owned subsidiary Company in the name and style of M/s. Bodhtree Human Capital Private Limited which is engaged in the business of staff augmentation and related service sector.

The Company holds more than 20% of total share capital of two other Companies which are M/s. Learnsmart India Private Limited and M/s. Pressmart Media Limited. However, there was no Significant Influence shown by the Company on the affairs of those Companies. There were no significant and material transactions with those Companies during the period under review. Management of the Company is different from that of those two Companies. Details in this regard are mentioned in Form No. MGT-9 (Extract of Annual Return) which can be accessed at the company's website [www.bodhtree.com](http://www.bodhtree.com) under investors section.

As per the provisions of Section 129(3) of the Companies Act, 2013 (the Act) read with Companies (Accounts) Rules, 2014, a statement containing the salient features of the financial statements of the Subsidiary in Form AOC-1 is enclosed as **Annexure – IV** to this Report.

Performance and financial position of each of the subsidiaries, associates and joint ventures:

As per Rule 8 of Companies (Accounts) Rules, 2014, a Report on the performance and financial position of each of the subsidiaries, associates and joint venture companies of the Company is enclosed as **Annexure – IV** to this Report.

**9. Management Discussion and Analysis:**

The Management Discussion and Analysis forms an integral part of this Report and enclosed as **Annexure - I** and gives details of the overall industry structure, developments, performance and state of affairs of the Company's business, internal controls and their adequacy, risk management systems and other material developments during the financial year.

**10. Extract of Annual Return:**

As provided under section 92(3) of the Act, the extract of annual return is enclosed as **Annexure – II** in the prescribed Form No. MGT-9, which forms part of this report and also can be accessed at the company's website [www.bodhtree.com](http://www.bodhtree.com) under investors section.

**11. Director's Responsibility Statement:**

Pursuant to Section 134 (5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- i) In preparation of annual accounts for the financial year ended 31<sup>st</sup> March 2019 the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year ended 31<sup>st</sup> March 2019 and of the profit and loss of the Company for the year;
- iii) The Directors have taken proper and sufficient care for their maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) The Directors had prepared the annual accounts on a 'going concern' basis;
- v) The directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- vi) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and external consultants, including audit of internal financial controls over financial reporting by the statutory auditors, and the reviews performed by management and the relevant board committees, including the audit committee, the board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2018-19.

**12. Statement on Declaration given by Independent Directors under Section 149(6):**

The independent directors have submitted the declaration of independence, as required pursuant to Section 149(7) of the Act stating that they meet the criteria of independence as provided in Section 149(6) of the Act.

**13. Details of Directors or Key Managerial Personnel:**

During the year, Mr. Muthukrishnan Swaminathan resigned as a Director from the Board of Directors of the Company w.e.f. 21<sup>st</sup> November, 2018 due to his pre-occupations. The Board places on record its sincere appreciation for Mr. Muthukrishnan Swaminathan's value added contributions and fruitful association with the Company and thanks him for providing valuable guidance to the Company during his tenure.

During the year, upon recommendation of the Nomination and Remuneration Committee, Mr. Muninder Raja Arram was co-opted as Additional director (Non-Executive Non- Independent) and Mr. Srinivas Reddy Mallayagari was co-opted as Additional Director of the Company in the category of Independent Director of the Company by the Board at its meeting held on 14<sup>th</sup> November, 2018 and 16<sup>th</sup> February, 2019 respectively pursuant to Section 161 of the Companies Act, 2013.

In accordance with the provisions of Section 152(6) of the Act and the Articles of Association of the Company, Mr. L N Ramakrishna will retire by rotation at the ensuing Annual General Meeting and, being eligible, offers himself for re-appointment.

The aforesaid appointment/re-appointment of Director/s are subject to your approval.

The Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, recommends the appointment of the above-mentioned directors at the ensuing Annual General Meeting.

Brief profiles of the directors is given in the notice convening the 37<sup>th</sup> AGM for reference of the shareholders.

During the year, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company, other than the receiving sitting fees, commission and reimbursement of expenses incurred by them for the purpose of attending meetings of the Company.

***Key Managerial Personnel***

During the year under review, Mr. Srikanth Reddy Kolli resigned from the office of Company Secretary with effect from 24<sup>th</sup> September, 2018 and Mr. Prabhakar Rao Kallur resigned from the office of Chief Financial Officer w.e.f. 18<sup>th</sup> April, 2019. Ms. Varsha Gupta was appointed as Company Secretary & Compliance Officer w.e.f. 1<sup>st</sup> October, 2018.

Mr. L N Rama Krishna continues to be the Managing Director of the Company.

**14. Number of meetings of the board:**

6 (Six) meetings of the board were held during the year. For details of the meetings of the board, please refer to the corporate governance report, which forms part of this report.

**15. Board Evaluation:**

The board of directors has carried out an annual evaluation of its own performance, and that of the board committees and individual directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 ("SEBI Listing Regulations").

The performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.

The board and the Nomination and Remuneration Committee reviewed the performance of the individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the chairman was also evaluated on the key aspects of his role.

In a separate meeting of independent directors held on 22<sup>nd</sup> March, 2019, performance of non-independent directors, performance of the board as a whole and performance of the Chairman of the Company was evaluated, taking into account the views of executive directors and non-executive directors. In addition to that, the Independent Directors evaluated the quality, quantity and timeliness of flow of information between the Board and the management of the Company which enabled the Board to perform its functions reasonably and effectively. The same was discussed in the board meeting that followed the meeting of the independent directors, at which the performance of the board, its committees and individual directors was also discussed. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

*Criteria for Performance Evaluation:*

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

**16. Policy on directors' appointment and remuneration and other details:**

The Company adopted a policy relating to the appointment and remuneration of Directors and Senior Management Personnel. This Policy covers the remuneration and other terms of employment for the Company's Executive Team. The remuneration policy for Members of the Board and for Management, aims at improving the performance and enhancing the value of the Company by motivating and retaining them and to attract the right persons to the right jobs in the Company. The object of this Remuneration Policy is to make your Company a desirable workplace for competent employees and thereby secure competitiveness, future development

and acceptable profitability. In order to achieve this, it is imperative that the Company is in a position to offer competitive remuneration in all its operational locations.

Neither the Managing Director nor any other Directors of the Company received any remuneration or commission from any of its Subsidiaries.

A detailed policy on remuneration of the Directors and Senior Management is placed on the Company's website under the web link: [http://www.bodhtree.com/about\\_us/investors/codes & Policies](http://www.bodhtree.com/about_us/investors/codes & Policies).

#### **Policy for selection of directors and determining directors' independence**

The Nomination and Remuneration committee identifies persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommends to the Board their appointment and removal.

#### **The criteria for the appointment of Directors, KMPs and Senior Management:**

A person for appointment as director, KMP or in senior management should possess adequate qualification, expertise and experience for the position considered for appointment. The Nomination and Remuneration committee decides whether the qualification, expertise and experience possessed by a person are sufficient for the concerned position. The committee ascertains the credentials and integrity of the person for appointment as director, KMP or at senior management level and recommends to the Board his / her appointment.

The Committee, while identifying suitable persons for appointment to the Board, will consider candidates on merit against objective criteria and with due regard for the benefits of diversity on the Board.

The Nomination and Remuneration committee assesses the independence of directors at the time of appointment, reappointment and the Board assesses the same annually. The Board re-assesses independence when any new interests or relationships are disclosed by a Director.

The criteria of independence is as prescribed in the Act and the Listing Regulations. The Independent Directors shall abide by the Code for independent directors as specified in Schedule IV of the Act.

#### **17. Committees of the Board:**

Your Company has the following committees namely:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholder's Relationship Committee
4. Risk Management Committee

The constitution of all the committees are as per the Companies Act, 2013 and SEBI Listing Regulations. The details of their Constitution are mentioned in Corporate Governance Report, which forms part of this Report.

#### **18. Corporate Governance Report:**

Your Company has complied with the requirements of Regulation 17(7), 72 of SEBI (LODR) Regulations, 2015 read with Schedule II & V therein and the Corporate Governance Report

including Auditor's Certificate on compliance with the conditions of Corporate Governance specified in Schedule V(E) is enclosed as **Annexure- VII** to this report.

**19. Consolidated Financial Statements:**

The consolidated financial statements prepared and annexed in accordance with the Accounting Standards 21 and 23 as prescribed under Section 133 of the Act, read with Rule 7 of Companies (Accounts) Rules, 2014 and Guidelines issued by Securities and Exchange Board of India ("SEBI") also forms part of this Report.

As per the provisions of Section 136 of the Act, the Company has placed its financial statements, including consolidated financial statements and all documents attached thereto, as well as the separate audited accounts of its subsidiaries on its website [www.bodhtree.com](http://www.bodhtree.com). A copy of the above-mentioned documents will be provided to the shareholders at their request.

**20. Internal financial control systems and their adequacy:**

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

Various Audit Systems in the Company monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies of the Company. Based on the audit reports, Company undertakes corrective actions in respective areas and strengthens the control. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board periodically.

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. The details in respect of internal financial control and their adequacy are included in the management discussion & analysis, which forms part of this report.

**21. Statutory Auditors:**

M/s Nisar & Kumar, Chartered Accountants were appointed as Statutory Auditors of the Company for a period of 5 consecutive years at the 32<sup>nd</sup> Annual General Meeting (AGM) of the Company held on 23<sup>rd</sup> December, 2014. Their term of five years expires at this ensuing AGM and the Board recommends to appoint new Auditors in place of the retiring auditor.

In consideration of the above, the Board of Directors upon the recommendation of the Audit Committee at its meeting held on 14<sup>th</sup> August, 2019 recommended the appointment of M/s NSVR & Associates LLP, Chartered Accountants, Hyderabad as the Statutory Auditors of the Company for a period of 5 years, commencing from the conclusion of the 37<sup>th</sup> AGM. The said recommendation is forming part of the Notice to the 37<sup>th</sup> Annual General Meeting for approval of members of the Company.

M/s NSVR & Associates LLP is a Chartered Accountants firm with Registration No. 008801S/S200060. The firm is having close to two decades of experience in the field of Audit, Taxation (Direct and Indirect), Internal Financial Control Review, Financial Advisory, Management Consulting, Financial restructuring, Business Modeling, System Design Management Support Services. The firm has a strong team of 8 partners and 40+ professional staff (qualified and semi-

qualified Chartered Accountants).

The Audit Committee considered various parameters like capability to serve the business landscape of the Company, audit experience in the Company's operating segments, market standing of the firm, clientele served, technical knowledge etc. and found NSVR & Associates LLP to be best suited to handle the scale, diversity and complexity associated with the audit of the financial statements of the Company.

The financial statements of the year ended 31<sup>st</sup> March, 2019 were audited by M/s Nisar & Kumar, Chartered Accountants. The standalone and consolidated financial statements have been prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act read with the relevant rules issued thereunder and other accounting principles generally accepted in India.

**22. Auditors' report:**

The auditors' report on the financial statements does not contain qualifications, reservations or adverse remarks and the Notes on the financial statements referred to therein are self-explanatory, thereby not requiring any further comments on the same.

**23. Secretarial Auditor Report:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. P. S. Rao & Associates, Practising Company Secretaries as Secretarial Auditors to conduct Secretarial audit of the Company for the financial year ended 31 March, 2019.

The Secretarial Audit Report issued by M/s. P. S. Rao & Associates, Practising Company Secretaries in Form No. MR-3 is enclosed as **Annexure – VIII** to this Annual Report.

**Explanations for the observations made by Secretarial Auditor M/s P S Rao & Associates, in Secretarial Audit Report:**

1. As per the provisions of the Act, the Company shall deposit the dividend amount in a separate bank account within 5 days from the date of its declaration, whereas the Company deposited the same on the 30th day. Further, there was a shortage in deposit of dividend amount by Rs.14.34 Lakhs.

The company deposited the amount in the dividend account based on the shares listed and traded in the Stock Exchange as on the record date. A total of 19,12,069 shares allotted to M/s Premeya World Wide Pte Ltd by way of conversion of outstanding CCPS are yet to be admitted to the depository system as the trading approval from BSE Limited is awaited to be applied for. Hence there is shortage in the dividend amount to the extent of Rs. 14.34 lakhs. However, the company has remitted the funds to the unpaid dividend account to ensure compliance with the governing provisions of the Act after the same was observed by the Auditors at the time of audit.

2. Delay in filing forms with the Ministry of Corporate Affairs

The company shall strive to complete the filing of forms with Registrar of Companies, Telangana within the prescribed time and avoid payment of additional fees thereto.

3. Notice was issued by SEBI authorities to certain designated employees and an Independent Director of the Company who executed contra trades within the prescribed limit and during the closure of trading window.

The Company issued warning letters to the concerned Director and Designated Persons to strictly adhere to the Code of Conduct and avoid making transactions which are not in compliance with the provisions of SEBI (PIT) Regulations, 2015. Further, the profit made on the said transactions was transferred to the SEBI- IEPF Account.

4. The Company has been providing information to the concerned SEBI Authority regarding the transfer of shares held by the BCL Employees Benefit Trust. Further, the Company seeks to comply with the provisions of SEBI (Employee based Benefit Regulations), 2014 and extinguish/ dispose off the shares of the Trust within the prescribed time of December, 2019.

**24. Internal Auditors:**

The Board of Directors of the Company has appointed M/s. Srinivas & Poorna, Chartered Accountants as Internal Auditors to conduct the Internal Audit of the Company for the Financial Year ended 31 March, 2019.

**25. Risk management:**

The board of directors of the Company has voluntarily formed a risk management committee to frame, implement and monitor the risk management plan for the Company. The committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The audit committee has additional oversight in the area of financial risks and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

The Board has framed a Risk management Policy, which, inter-alia, identifies the elements of risks which may threaten the existence of the Company. Various risks faced by the Company, including the risks associated with the economy, regulations, competition, foreign exchange, interest rate etc., and the development and implementation of the Risk Management Policy and are documented, monitored and managed efficiently.

**26. Corporate Social Responsibility (CSR):**

During the year under review, the Company did not fall under the purview of provisions of section 135 of the Companies Act, 2013. Hence, the provisions of Corporate Social Responsibility as specified therein were not applicable to the Company and accordingly, it has not made any contributions towards CSR Activities.

**27. Particulars of loans, guarantees and investments:**

The particulars of loans, guarantees and investments have been disclosed in the Notes to financial statements, being a part of this Annual Report.

**28. Deposits from public:**

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

**29. Transactions with related parties:**

Information on transactions with related parties pursuant to section 134(3)(h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 are given in **Annexure - V** in Form No. AOC-2 and the same forms part of this report.

The policy on materiality of Related Party Transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website [www.bodhtree.com](http://www.bodhtree.com).

**30. Vigil Mechanism:**

In pursuant to the provisions of section 177 (9) & (10) of the Act, and SEBI Listing Regulations, a Vigil Mechanism for directors and employees to report genuine concerns has been established. Protected disclosures can be made by a whistle blower to the Chairman of the Audit Committee. The Policy on vigil mechanism may be accessed on the Company's website [www.bodhtree.com](http://www.bodhtree.com).

**31. Remuneration ratio of the directors/ Key Managerial Personnel/ Employees:**

Statement showing disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of **Annexure- III** which is enclosed to this Board Report.

**32. Particulars of Employees:**

The table containing the names and other particulars of top 10 employees in terms of remuneration drawn in accordance with the provisions of Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of abovementioned **Annexure - III**.

A statement containing the names of every employee employed throughout the financial year and in receipt of aggregate remuneration of Rs. 102 lakh or more for the year, or employed for part of the year and in receipt of Rs. 8.50 lakh or more a month, under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of abovementioned **Annexure - III** which is enclosed to this Board's Report.

**33. Conservation of energy, Technology absorption, Foreign exchange outgo:**

The particulars as required to be disclosed pursuant to Section 134(3)(m) of the Companies Act, 2013, read with rule 8 of Companies (Accounts) Rules, 2014, are given to the extent applicable by way of **Annexure - VI**.

**34. Human Resources:**

The Industrial relations of the Company continued to be harmonious during the year under review.

**35. Employees Stock Options Scheme:**

The Board in its Meeting held on 14 November, 2016 has approved BCL ESOP-2016 policy to its Employees with 10 Lakh fully paid-up Equity Shares, which were approved by the shareholders in the 35<sup>th</sup> Annual General Meeting held on 30 September, 2016. The in-principle approval for the said 10 lakh options was obtained from BSE on 04 January 2017. The Company did not grant any options to its employees during F.Y. 2018-19. The details of Employees Stock Options pursuant to section 62 of the Companies Act, 2013 read with Rules made thereunder; and SEBI (Share Based Employee Benefits) Regulations, 2014 and erstwhile SEBI (Employee Stock Options Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 are provided as **Annexure – IX** to this Report.

**37. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The company has in place a Policy for prevention of Sexual Harassment at the Workplace in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The following is a summary of sexual harassment complaints received and disposed of during the year:

- a. Number of complaints pending at the beginning of the year; - Nil
- b. Number of complaints received during the year - Nil
- c. Number of complaints disposed off during the year -Nil
- d. Number of cases pending at the end of the year- Nil

**36. Compliance with secretarial standards on board and annual general meetings**

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

**37. General:**

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

- a. Issue of equity shares with differential rights as to dividend, voting or otherwise.
- b. Neither the Managing Director of the Company receive any remuneration or commission from any of its subsidiaries.
- c. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
- d. No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year and date of report.

**38. Acknowledgement:**

The directors thank the Company's employees, customers, vendors, investors and academic institutions for their continuous support. The directors also thank the governments of various countries, Government of India, governments of various states in India and concerned government departments / agencies for their co-operation. The directors appreciate and value the contributions made by every member of the Bodhtree family.

**For and on behalf of the Board  
For Bodhtree Consulting Ltd**

Place: Hyderabad

Date: 14.08.2019

**L N Rama Krishna.**  
Managing Director  
DIN: 03623543

**K Rajesh**  
Director  
DIN: 02727491

**MANAGEMENT DISCUSSION & ANALYSIS REPORT****OVERVIEW**

Bodhtree is a CMMI level 5 company which enables enterprises to transform their business using the power of cloud, analytics and digital solutions. In addition, we streamline key business processes by deploying enterprise applications, integrating applications with their IT infrastructure and maintaining them, so that business users can focus on strategic organizational priorities.

While we work with Fortune 500 firms and SMEs across different industries, we offer vertical specific solutions to address key business challenges of Manufacturing, Healthcare, HiTech, Educational and Government sectors besides others. We are problem solvers with a passion for excellence. We are intellectually curious and highly collaborative. However, against the backdrop of a challenging global economy, we endeavour to adopt new generation technologies and processes in our unique delivery model. Bodhtree has successfully carved a niche for itself by consolidating its approach to IT and ITES (IT enabled services) through sustainable value addition to organizations.

Bodhtree, a global IT Consulting and Product Engineering services provider, offers technology solutions that address complex business issues and drive transformational growth. As a select partner of industry-leading technology providers, Bodhtree delivers best-in-class solutions tailored to meet the needs of our SMB and large-enterprise clients. With extensive domain and IT expertise, our solutions integrate seamlessly within existing IT infrastructures, ensuring optimal business performance and maximized return on technology investments.

The following discussion and analysis should be read in conjunction with the Company's financial statements included in this report and the notes thereto. The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, and relevant amendment rules issued thereafter. Effective April 1, 2016, the Company has adopted all the Ind AS standards, and the adoption was carried out in accordance with Ind AS 101.

**INDUSTRY STRUCTURE AND DEVELOPMENT:**

Software and computing technology is transforming businesses in every industry around the world in a very profound and fundamental way. The continued reduction in the unit cost of hardware, the explosion of network bandwidth, advanced software technologies and technology-enabled services are fueling the rapid digitization of business processes and information. Over the past two decades, with the emergence of the internet and inexpensive connectivity, the global delivery model of service delivery has risen to become the preferred model in sourcing of IT services, business process services and research and development services. Traditional business models are being disrupted in every industry with digital and software-based business models. This disruption is characterized by highly desirable user experiences, an extreme scale-of-cost performance that has become available in computing infrastructure and disintermediation of the supply chain. Leveraging technologies and models of the digital era to both extend the value of existing investments and, in parallel, transform and future-proof their businesses is increasingly becoming a top priority for business leaders. This duality – to renew existing core businesses and innovate new businesses – is the essence of what companies are faced with as strategic imperatives today. Added to this the geo-political movements with neo-nationalist views from some of the developed/developing countries are going to test the established business models of almost all sets of enterprises worldwide.

The renewal of our core business translates to harnessing the efficiency of distributed cloud computing, enabling legacy systems for mobile and sensor access, extracting value out of digitized data, keeping systems relevant and optimizing the costs of building and running technology systems. As businesses look to new areas and new economies, new and intelligent systems are required to be built with next-generation technologies and with exponentially superior cost-benefit performance. The fast pace of technology change and the need for technology professionals, who are highly skilled in both the renewal and new technology areas, are driving businesses to rely on third parties to realize their IT transformation. Several technology solutions and service providers have emerged over the years, offering different models for clients to consume their solution and service offerings:

- Technology consulting companies – who take on niche and time-bound projects for their clients
- Global technology outsourcing companies – who leverage global talent pool to systematically optimize the IT operations of clients
- Business process management firms – who leverage global talent pool to manage the outsourced core business processes of their clients
- Software firms – who provide licensed software that enable the automation of business processes
- Specialty platform and Software-as-a-Service companies – who provide utility-based models for clients to consume software features
- Data analytics companies – who specialize in designing, analyzing and reporting insights from the vast amount of data that corporations are collecting about their customers, operations and markets
- Internal IT departments of the companies themselves – usually cost centers for the corporation

The rapid pace at which technology is changing and the need for highly-skilled professionals in both the renewed and new technology areas are driving businesses to rely on third parties to realize their IT transformation. Several technology solution and service providers have emerged over the years, offering different models for clients to consume their solution and service offerings.

### **EquiPPP- Equity in Public – Private Partnerships – CSR Initiative**

EquiPPP is a platform specially designed to enable scaling up of Social Value Investing and bringing smaller low-visibility but high local-impact projects into the investment radar to truly achieve sab-ka-saath, sab-ka-vikas. It is a collaborative platform that vitalizes crowd participation in Public-Private Projects and connects Corporates, Citizens, Domain Experts, NGOs and Philanthropists with the Government to Initiate and Participate together in socially relevant projects. EquiPPP enables Individuals and Organizations to initiate projects based on innovative solutions for socio-economic problems.

EquiPPP platform (equipp.com) is developed with the objective of showcasing socially relevant projects and providing analysis and insights to stakeholders in those projects viz. CSR mandated corporates, foundations, NGOs and other contractors executing such projects, local governments and socially aware citizens. The platform is developed and managed by Bodhtree Consulting Limited by as part of its social responsibility activity and run independently by a professional team. EquiPPP enables all corporates to showcase completed and on - going projects on the platform which enhances the visibility of such projects thus boosting outreach and impact.

### **OPPORTUNITIES AND THREATS:**

#### **Our strengths:**

We believe our strengths give us the competitive advantage to position ourselves as a leading global technology solutions and services company to solve the strategic challenges of business.

**Consulting and domain expertise:**

Bodhtree was founded as a product engineering company and continues to deliver world-class product engineering services ranging from application development and maintenance, web development and outsourced product development to QA and managed testing services. Applying agile and scrum-based methodologies, we engage customers in a highly interactive process to develop superior software products on timelines that beat the competition to market – at reduced operational costs and risk. As a Salesforce Gold Cloud Alliance Partner, Bodhtree provides the expertise and technology for clients to realize the benefits of cloud computing.

**Enterprise services:**

Bodhtree's enterprise services include implementation, development, global rollouts, integration, upgrade, and application maintenance and support for Oracle E-Business Suite. We understand your need to keep pace with constant industry changes and can help you standardize your processes, maximize your application performance and transform your business.

**Experience and expertise in large-scale outsourcing:**

We have developed processes and frameworks for large-scale outsourcing of technology projects that minimize financial and business risk to our clients. Our Global Delivery Model divides projects into components that can be executed simultaneously at client sites and at our development centers in India and around the world. We optimize our cost structure by maintaining the flexibility to execute project components where it is most cost-effective. This is further strengthened with automation, intelligence and collaboration technologies.

**Deep client relationships and brand:**

We have long-standing relationships with large corporations and other organizations. Our track record in delivering high-quality solutions across the entire software life cycle and our strong domain expertise helps us to solidify these relationships and gain increased business from our existing clients. This history of client retention allows us to showcase and strengthen our brand.

**Quality and process execution:**

Our sophisticated processes, standards and quality frameworks allow us to continuously optimize service delivery of various engagements on key performance indicators like business value, productivity, quality and cycle-time.

**High-quality talent:**

We have a strong ecosystem for employee attraction, career development, engagement and retention through a trusted partnership with our stakeholders. Competence development of our workforce has always been our key strategic focus area. We have a culture of performance and innovation in an open and collaborative environment.

**Our strategy**

Our strategic objective is to build a sustainable organization that remains relevant to the agenda of our clients, while generating profitable growth for our investors. In order to do this, we will apply the priorities of 'renew' and 'new' to our own business and cascade it to everything we do. These translate to the following strategic focus areas:

Build expansive, lasting relationships with our clients by delivering differentiated market offerings: Our strategy is to engage with clients on their large transformative programs, both in traditional IT areas as well as for their new digital business initiatives. We expand existing client relationships by providing them with a broad set of end-to-end service offerings and increase the size, nature and number of projects we do with them. Our specific industry, domain, process, and technology expertise allows us to enable clients transform their businesses with innovative strategies and solutions. We offer an end-to-end suite

of high-quality, highly responsive and innovation-led services spanning business consulting, IT services, software platform-based services and business process management. This enables us to partner with our clients on large, multi-year engagements.

Our Global Delivery Model provides scale, quality, expertise and cost and time-to-market advantages to our client projects. The model enables us to perform work at the location where the best talent is available and where it makes the best economic sense with the least amount of acceptable risk. Over the last 30 years, we have developed our distributed execution capabilities to deliver high-quality and scalable services. This scalable infrastructure complements our ability to deliver project components that are executed round the clock and across time zones enabling us to reduce project delivery times.

Enhance our operational processes for agility and optimal cost: We periodically assess the effectiveness of our organization structure and processes to optimize it for alignment with our strategic objectives and agility. Attract and retain a global, diverse, motivated and high-performing employee base-Our employees are our biggest assets. To meet the evolving needs of our clients, our priority is to attract and engage the best talent in the right locations with the right skills. We offer our employees challenging work assignments, benchmarked compensation and a collaborative, productive work environment. Our performance management system is objective and rewards performance. We invest substantially in employee engagement to motivate employees and encourage social communication and collaboration. Teaching and learning are central to the Bodhtree culture. Our investments in our Global Education Center and in creating various learning opportunities for our employees help them stay abreast of new developments in software technologies, spur innovation and build a lifelong career at Bodhtree. We are guided by our value system which motivates our attitudes and actions. Our core values are Client Value, Leadership by Example, Integrity and Transparency, Fairness and Excellence

We will deploy our capital in making business acquisitions that augment our expertise, complement our presence in certain market segments and accelerate the execution of our strategies. We leverage alliances that complement our core competencies. We partner with leading technology software and hardware providers in creating, deploying, integrating and operating business solutions for our clients. We have also expanded the scope of our collaborations to encompass universities and research organizations. We have an innovation fund to tap into innovation networks of early-stage companies and universities to gain access to new thinking and business models.

### **Our competition**

We experience intense competition in traditional services and see a rapidly-changing marketplace with new competitors arising in new technologies who are focused on agility, flexibility and innovation. We typically compete with other technology service providers in response to requests for proposals. Clients often cite our industry expertise, comprehensive end-to-end solutions, ability to scale, superior quality and process execution, Global Delivery Model, experienced management team, talented professionals and track record as reasons for awarding us contracts. In future, we expect intensified competition. In particular, we expect increased competition from firms that strengthen their offshore presence in India or other low-cost locations, firms that offer technology-based solutions to business problems and from firms incumbent in market segments that we have recently entered.

We believe that the principal competitive factors in our business are:

- The ability to keep pace with ever-changing technology and how they apply to customer requirements
- The ability to increase the scale and breadth of service offerings to provide one-stop solutions for customer needs
- The ability to articulate and demonstrate long-term value to existing and potential customers
- The ability to attract and retain high-quality management, technology professionals, and sales personnel
- The ability to effectively integrate global execution capabilities to deliver high-quality, seamless, scalable, cost-effective services

- A proven track record of performance excellence and customer satisfaction
- The financial strength to be able to invest in personnel and infrastructure to support the evolving demands of customers
- High ethical and corporate governance standards to ensure honest and professional business practices and protect the reputation of the Company and its customers.

**FUTURE OUTLOOK ON RISKS AND CONCERNS:**

This section lists forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these statements as a result of certain factors. Our outlook, risks and concerns are as follows:

- Our revenues and expenses are difficult to predict and can vary significantly from period to period, which could cause our share price to decline.
- We may not be able to sustain our levels of profitability due to multiple reasons, including but not limited to, higher cost of doing business in certain key markets such as the U.S. on account of increased investments in onsite development centers
- The economic environment, pricing pressures, and decreased employee utilization rates could negatively impact our revenues and operating results.
- Currency fluctuations and declining interest rates may affect the results of our operations.
- Wage pressures in India and the hiring of employees outside India may prevent us from sustaining some of our competitive advantage and may reduce our profit margins.
- Any inability to manage our growth could disrupt our business, reduce our profitability and adversely impact our ability to implement our growth strategy.
- We may not be able to provide end-to-end business solutions for our clients, which could lead to clients discontinuing their work with us, which in turn could harm our business.
- Intense competition in the market for technology services could affect our pricing, which could reduce our share of business from clients and decrease our revenues.
- A large part of our revenues is dependant on our top clients and the loss of any one of our major clients could significantly impact our business.
- Our success depends in large part upon our management team and key personnel, and our ability to attract and retain them.
- Our failure to complete fixed-price and fixed-timeframe contracts, or transaction-based pricing contracts, within budget and on time, may negatively affect our profitability.
- Our engagements with customers are typically singular in nature and do not necessarily provide for subsequent engagements.
- Our client contracts are often conditioned upon our performance, which, if unsatisfactory, could result in lower revenues than previously anticipated.
- Our work with governmental agencies may expose us to additional risks.
- Disruption in services due to failure in communication network, system failures, virus attacks or breach of cyber security, could negatively impact our operations and ability to provide our services and solutions, which could result in client dissatisfaction and a reduction of our revenues.
- We may be liable to our clients for damages caused by the disclosure of confidential information, system failures, errors or unsatisfactory performance of services.
- We may be the subject of litigation, which if adversely determined, could harm our business and operating results.
- Our insurance coverage may not be adequate to protect us against all potential losses to which we may be subject, and this may have a material adverse effect on our business.
- We are investing substantial cash assets in new facilities and physical infrastructure, and our profitability could be reduced if our business does not grow proportionately.
- We may be unable to recoup investment costs incurred in developing our software products and platforms.
- We may engage in acquisitions, strategic investments, strategic partnerships or alliances or other ventures that may or may not be successful.
- Goodwill that we carry on our Balance Sheet could give rise to significant impairment charges in the future.

- The markets in which we operate are subject to the risk of earthquakes, floods, tsunamis, storms and other natural and man-made disasters.
- The safety of our employees, assets and infrastructure may be affected by untoward incidents beyond our control, impacting business continuity or reputation.
- Negative media coverage and public scrutiny may divert the time and attention of our Board and Management and adversely affect the prices of our equity shares.
- Actions of activist shareholders may adversely affect our ability to execute our strategic priorities, and could impact the trading value of our securities.
- Given that our employees in the United States, Europe and other jurisdictions are working on visas, any restrictions on immigration may affect our ability to compete for and provide services to clients in these jurisdictions, which could hamper our growth or cause our revenues to decline and impact profitability.
- New and changing corporate governance and public disclosure requirements add uncertainty to our compliance policies and increase our costs of compliance.
- Increased regulation in the industries in which our clients operate could harm our business, results of operations and financial condition.
- Our net income would decrease if the Government of India reduces or withdraws tax benefits and other incentives it provides to us or when our tax holidays expire, reduce or terminate.
- In the event that the Government of India or the government of another country changes its tax policies in a manner that is adverse to us, our tax expense may materially increase, reducing our profitability.
- Changes in the policies of the Government of India or political instability may adversely affect economic conditions in India generally, which could impact our business and prospects.
- Our international expansion plans subject us to risks inherent in doing business internationally.
- Our ability to acquire companies organized outside India depends on the approval of the Reserve Bank of India and / or the Government of India, and failure to obtain this approval could negatively impact our business.
- Indian laws limit our ability to raise capital outside India and may limit the ability of others to acquire us, which could prevent us from operating our business or entering into a transaction that is in the best interests of our shareholders.
- Sales of our equity shares may adversely affect the prices of our equity shares.
- The price of US dollar value of any dividends we declare may be negatively affected by fluctuations in the US dollar to Indian rupee exchange rate.

**OVERVIEW OF OPERATIONS:**

During the year under review the Company reported operating profit of Rs. 1248.51 Lakhs. The Company reported profit primarily due to the measures brought in by the management to reduce operational costs without compromising the ability to earn and grow further. Your company is uniquely positioned to benefit immensely in the years to come with so many levers getting available for achieving growth. There are so many customers in your company's installed base getting a set of services in one or two focus areas of Bodhtree. As we start to push other focused areas' offerings to these installed base of customers, and as we start new areas of services into Bodhtree's offerings – these existing customers are expected to contribute more top line growth for this current fiscal year and beyond.

Bodhtree has started to rechristen itself as Systems Integrator (SI) in the market place, and thereby opening new areas of growth. With partnerships and collaborations getting into the strategy mix of Bodhtree's preparedness, this approach of SI to the market is expected to provide favorable results. Your company is already a strategic partner with renowned market players like Salesforce.com, Tableau, and the likes – and the push to strengthen these relationships is also focus. Also, Bodhtree is continuing to foster similar relationships with other upcoming technology players.

**INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:**

The members are informed that the Company has been accredited with quality standards of ISO 9001:2008, ISO 27001:2005 and CMMI – Level 5. Apart from this, the Company has adequate internal controls commensurate with the size and operations.

Periodical internal quality audits and management review meetings ensure successful implementation of the Quality Management System. The ISO 9001: 2008 and ISO 27001:2005 compliance will seamlessly integrate all the intra and inter-departmental activities of the organization, simultaneously ensuring effective monitoring of the operations of the organization. Surveillance audit for continuation of ISO certification will be conducted by external auditors.

In addition, the Company has appointed Independent Internal Auditors to carry out the internal audit on a regular basis. The internal audit is supplemented by external audit, and periodic review by the Management.

**DISCUSSION ON FINANCIAL PERFORMANCE:**

During the financial year 2018-19, the Company has achieved revenue of Rs. 116.29 Crores and net profit of Rs. 8.06 Crores/- on a standalone basis compared to the previous year net profit of Rs. 4.30 Crores.

The Basic and Diluted Earnings per share of the Company as on 31 March, 2019 is Rs. 4.04 and 4.04 on a standalone basis.

The Paid up Share Capital of the Company as on 31 March, 2019 is Rs. 19,95,82,360/- comprising of 1,99,58,236 Equity Shares of Rs. 10/- each fully paid-up.

**HUMAN RESOURCES:**

Your Company has rationalized its human resources effectively. The approach of the Company has been to nurture talent and inculcate a sense of belonging amongst its personnel. The Company provides an environment which encourages initiative, innovative thinking and rewards performance. The Company ensures training and development of its personnel through succession planning, job rotation, on- the-job training and various training programs and workshops.

**RATIO ANALYSIS:**

Particulars	FY 2018-19	FY 2017-18	Change %	Reasons for change
Debt equity Ratio	0.21	0.48	56.25 %	Decreased due to repayment of debt
Operating Profit Margin	15.86	10.81	46.72%	Increased due to increase in turnover and reduction in operational costs
Net Profit Margin	6.99	3.87	80.62 %	Increased due to increase in turnover and reduction of expenditure
Return on equity	25.03	14.95	67.42%	Increased due to favourable increase in profits
				against the last year.

**CAUTIONARY STATEMENT:**

Statements in the "Management Discussion and Analysis" describing the Company's objectives, estimates, expectations or projections may be "forward looking statements" within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include: Government regulations, patent laws, tax regimes, economic developments within India and countries in which the Company conducts business, litigation and other allied factors.

**For and on behalf of the Board**

Place: Hyderabad

Date: **14.08.2019**

**L N Rama Krishna.**  
Managing Director  
DIN: 03623543

**K Rajesh**  
Director  
DIN: 02727491

**ANNEXURE – II**

**Form No.MGT-9**  
**EXTRACT OF ANNUAL RETURN**  
**As on the financial year ended on 31-03-2019**

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

**I. REGISTRATION AND OTHER DETAILS:**

CIN	L74140TG1982PLC040516		
Registration Date	16/07/1982		
Name of the Company	BODHTREE CONSULTING LIMITED		
Category/Sub-Category of the Company	Company Limited by Shares; Indian Non-Government Company		
Address of the Registered office and contact details	Block "A", Wing "2", Level-6, Cyber Gateway, HITEC City, Madhapur, Hyderabad, Telangana-500081. Ph: 040-66222333; Fax: 040-66222444 Email: <a href="mailto:cosecy@bodhtree.com">cosecy@bodhtree.com</a> Website: <a href="http://www.bodhtree.com">www.bodhtree.com</a>		
Whether listed Company	Yes		
Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. Venture Capital and Corporate Investments Private Limited 12-10-167, Bharatnagar, Hyderabad, Telangana – 500018 Ph: 040-23818475; Fax: 23868024 Email: <a href="mailto:info@vccilindia.com">info@vccilindia.com</a> Website: <a href="http://www.vccilindia.com">www.vccilindia.com</a>		

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:**

Business activities contributing 10 % or more of the total turnover of the Company

S. No	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1.	IT & ITES	Division 62	More than 50%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:**

S. No	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares Held	Applicable Section
1.	M/s. Bodhtree Human Capital Private Limited., Block A, Wing 2, Level 6, Cyber Gateway, Madhapur, Hyderabad – 500081.	U74900TG2016P TC103679	Subsidiary	Equity Shares 100%	2(87)(ii)
2	M/s. Pressmart Media Limited MJR Arcade, 3rd Floor, Plot # 1000, Gurukul Society, Khanamet, Madhapur, Hyderabad 500081	U74300TG2006P LC051031	Associate	Equity Shares 33%	2(6)
3	M/s. Learnsmart (India) Private Limited Prakasham Nagar, Begumpet, Hyderabad - 500016	U80903TG2007P TC052887	Associate	Equity Shares 22.62%	2(6)

**Note:** Though the Company holds more than 20% of total share capital in M/s. Pressmart Media Limited and M/s. Learnsmart (India) Pvt Ltd, there was no Significant Influence shown by the Company on affairs of those two Companies. There were no significant transactions with those two Companies during the period under review. Management of the Company is different from that of those two Companies.

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):**

**(i) Category-wise Share Holding:**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				%Change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	2194600	--	2194600	11.00	1194384	--	1194384	5.98	(5.01)
b) Central Govt	--	--	--	--	--	--	--	--	--
c) State Govt (s)	--	--	--	--	--	--	--	--	--
d) Bodies Corp.	167000	--	167000	0.84	167000	--	167000	0.84	--
e) Banks / FI	--	--	--	--	--	--	--	--	--
f) Any Other....	--	--	--	--	--	--	--	--	--
<b>Sub-total (A)(1):-</b>	<b>2361600</b>	--	<b>2361600</b>	<b>11.84</b>	<b>1361384</b>	--	<b>1361384</b>	<b>6.82</b>	<b>(5.01)</b>
<b>(2) Foreign</b>									
a) NRIs – Individuals	--	--	--	--	--	--	--	--	--
b) Other – Individuals	--	--	--	--	--	--	--	--	--
c) Bodies Corp.	8000000	--	8000000	40.08	8000000	--	8000000	40.08	--
d) Banks / FI	--	--	--	--	--	--	--	--	--
e) Any Other....	--	--	--	--	--	--	--	--	--
<b>Sub-total (A)(2):-</b>	<b>8000000</b>	--	<b>8000000</b>	<b>40.08</b>	<b>8000000</b>	--	<b>8000000</b>	<b>40.08</b>	--
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>10361600</b>	--	<b>10361600</b>	<b>51.92</b>	<b>9361384</b>	--	<b>9361384</b>	<b>46.90</b>	<b>(5.01)</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	--	--	--	--	--	--	--	--	--
b) Banks / FI	100000	--	100000	0.50	100000	--	100000	0.50	--
c) Central Govt	--	--	--	--	--	--	--	--	--
d) State Govt(s)	--	--	--	--	--	--	--	--	--
e) Venture Capital Funds	--	--	--	--	--	--	--	--	--
f) Insurance Companies	--	--	--	--	--	--	--	--	--
g) FIIs	--	--	--	--	--	--	--	--	--
h) Foreign Venture Capital Funds	--	--	--	--	--	--	--	--	--
i) Others (specify)	--	1912069	1912069	9.58	--	1912069	1912069	9.58	--
<b>Sub-total (B)(1):-</b>	<b>100000</b>	<b>1912069</b>	<b>2012069</b>	<b>10.08</b>	<b>100000</b>	<b>1912069</b>	<b>2012069</b>	<b>10.08</b>	--
<b>2. Non-Institutions</b>									
a) Bodies Corp.	648774	11500	660274	3.31	647851	11500	659351	3.30	(0.01)
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 2 lakh	2074228	58200	2132428	10.68	2075125	55510	2130635	10.68	--

ii)Individual shareholders holding nominal share capital in excess of Rs 2 lakh c) Others - Trust -Non-resident Indians - Clearing members <b>Sub-total (B)(2):-</b>	2775418 472333 448710 67904 <b>6487367</b>	745100 9000 273400 -- <b>1097200</b>	3520518 481333 722110 67904 <b>7584567</b>	17.64 2.41 3.62 0.34 <b>38.00</b>	4634982 472333 367933 12149 <b>8210373</b>	25000 9000 273400 -- <b>374410</b>	4659982 481333 641333 12149 <b>85,84,783</b>	23.35 2.41 3.21 0.06 <b>43.01</b>	<b>5.71</b> -- <b>(0.41)</b> <b>(0.28)</b> <b>5.01</b>
<b>Total Public Shareholding (B) = (B)(1) + (B)(2)</b>	<b>6587367</b>	<b>3009269</b>	<b>9596636</b>	<b>48.08</b>	<b>83,10,373</b>	<b>2286479</b>	<b>10596852</b>	<b>53.10</b>	<b>5.01</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	--	--	--	--	--	--	--	--	--
<b>Grand Total (A+B+C)</b>	<b>16948967</b>	<b>3009269</b>	<b>19958236</b>	<b>100.00</b>	<b>17672457</b>	<b>2286479</b>	<b>19958236</b>	<b>100.00</b>	--

**(ii) Shareholding of Promoters:**

S. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year				
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total shares	% change In share holding during the year	
1	M/s. Bodhtree Solutions Inc., USA	8000000	40.08	40.08	8000000	40.08	40.08	--	
2	M/s. Mas Trading & Investments Pvt Ltd	167000	0.84	--	167000	0.84	--	--	
3	Monica Gupta	60100	0.30	--	60100	0.30	--	--	
4	Sanjiv Gupta	2134500	10.69	--	1134284	5.68	--	(5.01)	
	<b>Total</b>	<b>10361600</b>	<b>51.92</b>	<b>40.08</b>	<b>9361384</b>	<b>46.90</b>	<b>40.08</b>	<b>(5.01)</b>	

**(iii) Change in Promoters' Shareholding (please specify, if there is no change):**

S. No	Name Of the Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Monica Gupta	60100	0.30	60100	0.30
2	Sanjiv Gupta At the beginning of the year  Sold on 15.06.2018 Sold on 22.06.2018 Sold on 31.08.2018 Sold on 04.09.2018  <b>At the end of the year</b>	2134500  372046 127954 205216 295000  <b>1134284</b>	10.69  1.86 0.64 1.03 1.48  <b>5.68</b>	2134500  1762454 1634500 1429284 1134284  <b>1134284</b>	10.69  8.83 8.19 7.16 5.68  <b>5.68</b>
3	M/s. Mas Trading & Investments Pvt Ltd	167000	0.84	167000	0.84
4	M/s. Bodhtree Solutions Inc.	8000000	40.08	8000000	40.08

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

S. No	Name Of the Shareholder	Shareholding at the beginning of the year		Increase/Decrease in shareholding during the year			Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	Date	No of shares	Reason	No. of shares	% of total shares of the Company
1	Premaya World Wide Pte Ltd  At the end of the year 31.03.2019	1912069	9.58	--	--	--	1912069	9.58
2	Rajiv Verma  At the end of the year 31.03.2019	723600	3.63	--	--	--	723600	3.63
3	Venkat Ramaraju Vigesina  At the end of the	0.00	0.00	07.09.2018 12.10.2018 19.10.2018 2018 02.11.	21100 80260 3424 41737 49912 15846	Bought Bought Bought Bought Bought Bought	211000 291260 294684 336421 386333 402179	1.06 1.46 1.48 1.69 1.94 2.02

	year 31.03.2019			2018 16.11. 2018 23.11. 2018			402179	2.02
4	Anita Soni  At the end of the year	500010	2.51	29.03. 2019	10300 0	Bought	605010 605010	3.03 3.03
5	Hari Kishen Brij Mohan Soni HUF  At the end of the year	437269	2.19	22.06. 2018	30000	Bought	467269 467269	2.34 2.34
6	BCL Employees Benefit Trust  At the end of the year	481333	2.41	--	--	--	481333	2.42
7	Kepler Information Systems Pvt Ltd  At the end of the year	300344	1.50	06.07.2 018 13.07.2 018 24.08.2 018 15.03.2 019	3000 8100 350 8271	Bought Bought Bought Bought	303344 311444 311794 320065 320065	1.52 1.56 1.56 1.60 1.60
8	Brij Mohan Soni  At the end of the year	210410	1.05	30.06.2 018 03.08.2 018 29.03.2 019	3400 0 1541 3 1400 00	Bought Bought Bought	244410 259823 399823 399823	1.22 1.30 2.00 2.00
9	Sukumar Bandreddy  At the end of the year	--		07.09.2 018 16.11.2 018	2960 00 1100	Bought Bought	296000 297100 297100	1.48 1.49 1.49
10	Vandana Daga  At the end of the year	-	--	01.02.2 019	2034 00	Bought	203400 203400	1.02 1.02

**(v) Shareholding of Directors and Key Managerial Personnel:**

S. No	Name of the director / key managerial personnel (KMP)	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Sanjiv Gupta At the beginning of the year  Sold on 15.06.2018 Sold on 22.06.2018 Sold on 31.08.2018 Sold on 04.09.2018	2134500  372046 127954 205216 295000	10.69  1.86 0.64 1.03 1.48	2134500  1762454 1634500 1429284 1134284	10.69  8.83 8.19 7.16 5.68
	<b>At the end of the year</b>	<b>1134284</b>	<b>5.68</b>	<b>1134284</b>	<b>5.68</b>
2	Muninder Raja Arram At the beginning of the year <b>At the end of the year</b>	11955	0.06	-- <b>11955</b>	<b>0.06</b>

**V. INDEBTEDNESS:**

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	203528634	18925440	-	222454074
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>203528634</b>	<b>18925440</b>	-	<b>22,24,54,074</b>
<b>Change in Indebtedness during the financial year</b>				
• Addition	(105272787)	137188005	-	31915218
• Reduction	74151	135738481	-	135812632
<b>Net Change</b>	<b>(105346938)</b>	<b>1449524</b>	-	<b>(103897415)</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	98181696	20374964	-	118556659
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>98181696</b>	<b>20374964</b>	-	<b>118556659</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

**A. Remuneration to Managing Director, Whole-time Directors and/or Manager**

<b>S. No</b>	<b>Particulars of Remuneration</b>	<b>Name of MD/WTD/ Manager</b>	<b>Total Amount in Re.</b>
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	L N Rama Krishna.	57,97,000
2.	Stock Option	--	--
3.	Sweat Equity	--	--
4.	Commission - as % of profit - Others, specify...	-- --	-- --
5.	Others, please specify	--	--
<b>Total (A)</b>			<b>57,97,000</b>
Ceiling as per the Companies Act, 2013 read with Schedule V.		As per Member's resolution passed through Postal Ballot dated 03 January, 2017, the salary was increased to Re. 5 Lakh P.M. w.e.f. 01 December, 2016.	

**B. Remuneration to other Directors:**

<b>S. No</b>	<b>Particulars of Remuneration</b>	<b>Name of Directors</b>			<b>Total Amount</b>
		Muthukrishnan Swaminathan*	Katragadda Rajesh	Srinivas Reddy Mallayagari**	
1.	<b>Independent Directors</b> • Fee for attending board / committee meetings • Commission • Reimbursement of expenditure for participation in the Board and other meetings	24000 -- --	32000 -- --	-- -- --	56000 -- --
2.	<b>Total (1)</b>	<b>24000</b>	<b>32000</b>	<b>--</b>	<b>56000</b>
	<b>Other Non-Executive Directors</b> • Fee for attending board / committee meetings • Commission • Others, please specify	Sanjiv Gupta 12000 -- --	Muninder Raja Arram*** 4000 -- --	Lakkimsetti Muneashwari 18000 -- --	
					34000 -- --
	<b>Total (2)</b>	<b>12000</b>	<b>4000</b>	<b>18000</b>	<b>34000</b>
	<b>Total (B)=(1+2)</b>				<b>90000</b>

\*Resigned on 21<sup>st</sup> November, 2018.

\*\*Appointed w.e.f. 16<sup>th</sup> February, 2019

\*\*\*Appointed w.e.f. 14<sup>th</sup> November, 2018

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

S. No	Particulars of Remuneration	Name of KMP		Total Amount
		CFO	Company Secretary	
		Prabhakar K	Srikanth Varsha	
			Reddy#	Gupta ##
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	24,00,000	3,96,333	4,00,000
2.	Stock Option	--	--	--
3.	Sweat Equity	--	--	--
4.	Commission - as % of profit - Others, specify...	-- --	-- --	-- --
5.	Others, please specify	--	--	--
<b>Total</b>		<b>24,00,000</b>	<b>3,96,333</b>	<b>4,00,000</b>
				<b>31,96,333</b>

#Resigned on 24<sup>th</sup> September, 2018

##Appointed w.e.f. 1<sup>st</sup> October, 2019

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

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

**For and on behalf of the Board  
For Bodhtree Consulting Ltd**

Place: Hyderabad

Date: 14.08.2019

**L N Rama Krishna.**

Managing Director

DIN: 03623543

**K Rajesh**

Director

DIN: 02727491

**ANNEXURE – III**

**A. Information as per Rule 5(1) of Chapter XIII, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

- I) The percentage increase in remuneration of each Director and Chief Financial Officer during the financial year 2018-19, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2018-19 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

S No	Name of Director/ KMP and Designation	The Percentage increase in remuneration of each director, CFO, CEO in the f.y. 2018-19	The percentage increase in the median remuneration of employees in the financial year 2018-19	Ratio of remuneration of each Director/ to median remuneration of employees	Comparison of the Remuneration of the KMP against the performance of the Company
1	L N Rama Krishna. Managing Director	0%	05%	1 : 0.075	For the FY 2018-19, Key Managerial Personnel were paid approx. 11.15% of the net profit for the year.
2	Prabhakar Rao Kallur – Chief Financial Officer	20%			
3	Srikanth Reddy Kolli - Company Secretary	0%			

- II) The median remuneration of the employees of the Company during the financial year was Re. 450,112;
- III) In the financial year, there was an increase of 5% in the median remuneration of employees;
- IV) There were 144 permanent employees on the rolls of Company as on March 31, 2019;
- V) Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year was 5 % whereas there was no increase in the managerial remuneration for the said financial year;
- VI) The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Nomination & Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees;
- VII) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: NIL; and,

VIII) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

**B.** Information as per Rule 5(2) of Chapter XIII, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The statement showing particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. Further, the report and the accounts are being sent to the shareholders excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open for inspection at the Registered Office of the Company. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary of the Company.

**For and on behalf of the Board  
For Bodhtree Consulting Ltd**

Place: Hyderabad

Date: **14.08.2019**

**L N Rama Krishna.**  
Managing Director  
DIN: 03623543

**K Rajesh**  
Director  
DIN: 02727491

**ANNEXURE - IV**

**Form AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

**Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures**

**Part – A: Subsidiaries**

1	Name of the subsidiary	Bodhtree Human Capital Private Limited
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01 April 2018 to 31 March 2019.
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	INR
4	Share capital	10,000 Equity Shares of Rs 10/- each Rs 1,00,000/-
5	Reserves & surplus	(30,17,126)
6	Total assets	15,818
7	Total Liabilities	29,32,944
8	Investments	--
9	Turnover	6,38,081
10	Profit before taxation	(28,82,018)
11	Provision for taxation	--
12	Profit after taxation	--
13	Proposed Dividend	--
14	% of shareholding	100%

1. Names of subsidiaries which are yet to commence operations: Nil

**Part – B: Associates and Joint Ventures**

**Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

1	Names of Associates and Joint Ventures	M/s. Learnsmart (India) Private Limited	M/s. Pressmart Media Private Limited
2	Latest Audited Balance Sheet*	--	--
3	Shares of Associates held by the Company on the year end: - Number of Shares of Rs. 10/- each. - Amount of Investment - Extent of Holding %	505000 5050000 22.62%	5257924 67199710 32.99%
4	Description of how there is significant influence*	--	--
5	Reason why the Associates are not consolidated	During the Financial Year 2018-19, the Company is holding investments as aforesaid are termed as Associate Companies. The financial statements for these Companies for the financial	

		year 2018-19 are not made available, hence the consolidation of these Companies are not considered while preparing the consolidated financial statements.
6	Net worth attributable to shareholding as per latest audited Balance Sheet*	--
7	Profit / Loss for the year* - Considered in Consolidation - Not considered in Consolidation	--

\* *Though the Company holds more than 20% of total share capital of the abovementioned two Companies there is no Significant Influence shown by the Company on affairs of those Companies. There were no significant transactions with those Companies during the period under review. Management of the Company is different from that of those two Companies. The Company is holding investments as aforesaid are termed as Associate companies. The financial statements for these Companies for the financial year 2018-19 are not made available by those Companies, hence the consolidation of these Companies are not considered while preparing the consolidated financial statements.*

**For and on behalf of the Board  
For Bodhtree Consulting Ltd**

Place: Hyderabad

Date: 14.08.2019

**L N Rama Krishna.**

Managing Director

DIN: 03623543

**K Rajesh**

Director

DIN: 02727491

**ANNEXURE - V**

**FORM NO. AOC -2**

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

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

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

There were no contracts or arrangements or transactions entered into during the year ended 31 March, 2019, which were not at arm's length basis.

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

The details of material contracts or arrangements or transactions at arm's length basis are as follows:

<b>Nature of contract &amp; Name of the related party</b>	<b>Nature of relationship</b>	<b>Duration of Contracts</b>	<b>Salient Terms</b>	<b>Amount (Rs. in Lakhs)</b>
<b>Sales</b>				
M/s. Bodhtree Consulting LLC.	Control	Ongoing	Ordinary course of business	1583.47
M/s. Bodhtree Solutions Inc.	Control	Ongoing	Ordinary course of business	---
M/s. Bodhtree Solutions PTE Ltd	Control	Ongoing	Ordinary course of business	---
Kepler Information Systems Pvt Ltd	Control	Ongoing	Ordinary Course of business	707.44
Skyline Ventures India Ltd	Control	Ongoing	Ordinary Course of business	1.56
<b>Purchases</b>				
M/s. Sreeven Infocom Ltd	Control	Ongoing	Ordinary course of business	85.00
M/s Kepler Information Systems Private Limited	Control	Ongoing	Ordinary Course of business	419.04
<b>Managerial Remuneration</b>				
L N Rama Krishna	Managing Director	01-04-2018 to 31-03-2019	As per the terms and conditions of appointment	57.97

<b>Advances</b> M/s. Bodhtree Human Capital Private Limited	Subsidiary	Ongoing	Ordinary Course of Business	12.08
<b>Debit Balances</b>  M/s. Learnsmart (India) Pvt. Ltd.	Associate	N.A.	N.A.	358.62
M/s. Pressmart Media Ltd	Associate	N.A.	N.A.	0.22
<b>Credit Balances</b>  L N Rama Krishna	Managing Director	N.A.	Unsecured loan	42.77
M/s. Kepler Information Systems Pvt Ltd	Control	N.A.	Unsecured loan	--
<b>Investments</b>  M/s. Pressmart Media Limited	Associate'	N.A.	Equity	672.00
M/s. Learnsmart (India) Private Limited	Associate	N.A.	Equity	50.50

**For and on behalf of the Board  
For Bodhtree Consulting Ltd**

Place: Hyderabad

Date: **14.08.2019**

**L N Rama Krishna.**  
Managing Director  
DIN: 03623543

**K Rajesh**  
Director  
DIN: 02727491

**ANNEXURE – VI****PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO REQUIRED UNDER THE COMPANIES (ACCOUNTS) RULES, 2014.****(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 been fully absorbed;
  - d. if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and
- iv. the expenditure incurred on Research and Development.

**(C) Foreign exchange earnings and Outgo-**

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

(In Rupees)

<b>Particulars</b>	<b>2018-19</b>	<b>2017-18</b>
Value of Imports – CIF Basis	Nil	Nil
Expenditure in Foreign Currency		1,99,55,248
Foreign Currency Earnings – FOB basis	26,64,68,337	18,90,00,195

**For and on behalf of the Board  
For Bodhtree Consulting Ltd**

Place: Hyderabad

Date: 14.08.2019

**L N Rama Krishna.**  
Managing Director  
DIN: 03623543

**K Rajesh**  
Director  
DIN: 02727491

**CORPORATE GOVERNANCE REPORT**

(Pursuant to Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

The Company's shares were listed on M/s. BSE Limited w.e.f. 04.05.2015 through direct listing after exit of M/s. Madras Stock Exchange Ltd. The Corporate Governance Report has been prepared in accordance with Regulation 34(3), 53(f) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 herein after called as Listing Regulations.

**I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:**

The Company's philosophy on Corporate Governance is to provide highest transparency, and adherence to ethical values to build strong Corporate Governance systems. It endeavors to ensure adherence to the Code of Corporate Governance by complying with regulatory requirements and maintaining high standards of moral and ethical conduct to enhance the benefit of shareholders, employees, lenders and customers. The Company has also adopted Code of Conduct for the Board of Directors and other Senior Level Management.

**II. BOARD OF DIRECTORS:**

**1. Composition and category of directors**

The Board of Directors presently comprises of 6 (Six Directors), having versatile knowledge and skills in their respective domains, out of which 5 (Five) are Non-Executive Directors. The Independent Directors is 1/3<sup>rd</sup> of the total number of Directors with the Managing Director being the only Executive Director on the Board of the Company.

The details of the Board of directors including their attendance at the meetings of Board and shareholders, directorships / chairmanships / memberships on the Boards /Committees of other Companies and names of the listed entities where the person is a director and the category of directorship as required under Regulation no. 34 read with schedule V of Listing Regulations are as below:

Name of the Director	Category	Attendance particulars		Atten dance at the last AGM (20 <sup>th</sup> Septe mber, 2018)	No. of Direct orship s in other compa nies <sup>1</sup>	As on date		Names of other listed entities where he/she is a director and the category of directorsh ip			
		Board Meetings				Committee Positions <sup>2</sup>					
		Held	Atte nde d			Mem ber	Chair man				
Sanjiv Gupta	Non-executive Promoter Director	6	6	Yes	6	--	--	--			
L N Rama Krishna	Managing Director	6	6	Yes	--	--	--	--			

K. Rajesh	Non-executive Independent Director	6	6	Yes	5	2	--	Athena Global Technologies Limited
Muninder Raja Arram <sup>3</sup>	Non-executive Director	2	2	No	2	--	--	--
Muthukrishnan Swaminathan <sup>5</sup>	Non-executive Independent Director	4	4	Yes	4	--	--	--
Muneashwari Lakkimsetti	Non-executive, Non-Independent Director	6	5	Yes	1	--	--	--
Srinivas Reddy Mallayagari <sup>4</sup>	Non-executive Independent Director	--	--	--	1	--	--	--

1. Excluding Directorship in Foreign Companies and Companies incorporated u/s.8 of Companies Act, 2013

2. Only Membership of Audit and Stakeholders Relationship Committees are considered.

3. Appointed as Director w.e.f. 14<sup>th</sup> November, 2018.

4. Appointed as Independent Director w.e.f. 16<sup>th</sup> February, 2019.

5. Resigned from directorship on 21<sup>st</sup> November, 2018

As per the disclosures given by the respective directors, none of the Directors on the Board is a member on more than 10 Committees and Chairman of more than 5 Committees, as specified in Regulation 26 of SEBI (listing Obligations and Disclosure Requirements) Regulations, 2015, across all the companies in which they are Directors. Further, no director is acting as Independent Director of more than seven listed companies, and if a whole-time director of a listed company, not more than three companies.

Independent Directors:

Mr. Muthukrishnan Swaminathan, Independent Director of the Company has resigned before the expiry of his term w.e.f. 21<sup>st</sup> November, 2018 quoting personal reasons. It is hereby confirmed by the said director that he has resigned for no other reason other than that mentioned above..

Meeting of Independent Directors:

Meeting of Independent Directors was held on 22<sup>nd</sup> March, 2019 inter alia to review the performance of the Non-Independent Directors and the Board as a whole, review the performance of Chairperson of the Company and assess the quality, quantity and timeliness of

flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

In the opinion of the Board the Independent Directors fulfill the conditions specified in Regulation 25 read with Schedule IV of the Companies Act, 2013 and are independent of the management.

The terms and conditions of appointment of Independent Directors can be accessed on the Company's website at [www.\\_bodhtree.com](http://www._bodhtree.com).

**2. Number of meetings of the Board of Directors held and dates on which held**

During the year under review Six Board Meetings were held on 30.05.2018, 14.08.2018, 03.10.2018, 14.11.2018, 13.02.2019 and 16.02.2019.

Your Company holds minimum of four board meetings in each year with maximum time gap of 120 days (One hundred and twenty days) between any two consecutive meetings. Additional Board meetings will be convened by giving appropriate notice to address the urgent needs of the Company. The Board may also approve permitted matters by passing resolution by circulation. The necessary quorum was present for all the meetings.

**3. Disclosure of relationships between Directors inter-se:**

- Mr. L N Ramakrishna, Managing Director spouse of Mrs. Lakkimsetti Muneashwari, Director of the Company.
- Mr. Muninder Raja Arram, Non-Executive Director is brother of Mrs. Lakkimsetti Muneashwari and brother-in-law of Mr. L N Ramakrishna.

Except mentioned above, none of the Directors are related to each other.

**4. Number of shares held by Non-Executive Directors**

<b>Sr No</b>	<b>Name and Designation of Director</b>	<b>No. of shares held</b>
1	Sanjiv Gupta – Non- Executive Director	1134284
2	Muninder Raja Arram – Non- Executive Director	11955

**5. Web link where details of familiarisation programmes imparted to Independent directors:**

A formal familiarization programme was conducted about the amendments in the Companies Act, 2013, Rules prescribed thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and all other applicable laws of the Company. It is the general practice of the Company to notify the changes in all the applicable laws from time to time to the Board of Directors regularly.

The details of such familiarization programmes for Independent Directors are posted on the website of the Company and the web link is <https://www.bodhtree.com/about-us/investors/codes-and-policies/familiarization-programme-for-independent-directors.pdf>

**6. List of core skills/expertise/competencies identified by the board of directors:**

The Company requires skills, expertise and competencies in the areas of strategy, finance, accounting, legal and regulatory matters, the environment, sustainability and operations of the Company's businesses to efficiently carry on its core business.

The Board comprises of qualified members who bring in the required skills, expertise and competence as mentioned above which allow them to make effective contributions to the Board and its committees.

The members of the Board are committed to ensure that the Company is in compliance with the highest standards of corporate governance.

## **7. Certification from Company Secretary in Practice**

Mr. P.S. Rao, Practising Company Secretary, P S Rao & Associates has issued a certificate as required under the Listing Regulations, conforming that none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of Companies by the SEBI/ Ministry of Corporate Affairs or any such statutory authority. The Certificate is enclosed and forms part of this Report.

### **III. COMMITTEES OF DIRECTORS:**

#### **Audit Committee:**

The Company constituted a Qualified and Independent Audit Committee in accordance with the provisions of Regulations 18 of the Listing Regulations and Section 177 of the Companies Act, 2013 comprising of One Non-Executive and two Independent directors.

#### **Brief description of terms of reference:**

The role of the Audit Committee is as prescribed under the Act and the Listing Regulations and includes the following:

- i. Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- ii. Recommendation of appointment etc., of the statutory auditors and their fee for audit and other services;
- iii. Examination and review of annual financial statements/ audit report with particular reference to directors' responsibility statement, changes in accounting policies, major accounting entries involving estimates, disclosure of related party transactions, qualifications in the draft audit report, etc.;
- iv. Discussions with internal auditors on significant findings and with Statutory Auditors of the nature and scope of audit and on areas of concern;
- v. Review of quarterly financial statements, uses and application of funds raised, performance of statutory and internal auditors, adequacy of internal control system and internal audit function;
- vi. Review of management discussion and analysis report on financial condition and results of operations, significant related party transactions, internal control weaknesses reported by the statutory auditors and internal auditors and the appointment and remuneration of internal auditors.
- vii. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- viii. Approval or any subsequent modification of transactions of the company with related parties;
- ix. Scrutiny of inter-corporate loans and investments;
- x. Evaluation of internal financial controls and risk management systems; and
- xi. Review of the functioning of the Whistle Blower mechanism

- xii. Review of the utilization of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower

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

<b>S No.</b>	<b>Name of the Director</b>	<b>Designation</b>	<b>No. of meetings held during the period</b>	<b>No. of Meetings attended</b>
1	K. Rajesh	Chairman	4	4
2	Muthukrishnan Swaminathan*	Member	3	3
3	L Muneashwari	Member	4	3
4	Srinivas Reddy Mallayagari **	Member	1	1

\*Resigned on 21<sup>st</sup> November, 2018 and

\*\* Appointed wef 16<sup>th</sup> February, 2019

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

The Managing Director, Chief Financial Officer, Statutory Auditors and Internal Auditors are also invited to the meetings, as required to brief the Committee Meetings. Internal Auditors would report their findings and recommendations to the Committee directly at the meetings. The Company Secretary acts as the secretary of the Committee.

Audit Committee meetings were held 4 (four) times during the year under review on 30<sup>th</sup> May, 2018; 14<sup>th</sup> August, 2018, 14<sup>th</sup> November, 2018 and 13<sup>th</sup> February, 2019. The gap between two audit Committee meetings was not more than one hundred and twenty days (120 days). The necessary quorum was present at all the meetings.

#### **Nomination and Remuneration Committee:**

Nomination and Remuneration Committee was duly constituted in accordance with the Regulation 19 of SEBI Listing Regulations and Section 178 of the Companies Act, 2013. The Committee is empowered with the role and powers as prescribed under Regulation 19 of SEBI Listing Regulations and Section 178 of the Companies Act, 2013 and in the Nomination & Remuneration Policy of the Company. The Committee also acts in terms of reference and directors of the Board from time to time.

The NRC comprises of three (3) Non-Executive Directors. The composition of the said committee is as follows:

	<b>Name of the Director</b>	<b>Nature of Directorship</b>	<b>Category</b>	<b>No. of meetings held during the year</b>	<b>No. of meetings attended</b>
1	Muthukrishnan Swaminathan*	Non-executive Non-Independent Director	Member	2	2
2	K. Rajesh	Non-executive Independent Director	Chairman	2	2
3	Sanjiv Gupta	Non-executive Non-Independent Director	Member	2	2
4	Srinivas Reddy Mallayagari**	Non-executive Non-Independent Director	Member	--	--

\*Resigned w.e.f. 21<sup>st</sup> November, 2018 and

\*\*appointed w.e.f. 16<sup>th</sup> February, 2019.

Chairman and members of the Nomination and Remuneration Committee are Non-Executive Directors.

The Nomination and Remuneration Committee meetings were held 2 (two) times during the year under review on 3<sup>rd</sup> October, 2018 and 14<sup>th</sup> November, 2018.

The role of the NRC is as specified under Schedule II part (D) of SEBI (LODR) Regulations, 2015 and Section 178 of the Companies Act, 2013. Apart from this The Nomination and Remuneration Committee reviews profiles & experience, performance appraisals and recommends remuneration package payable to Executive Director(s) and others Senior Executives in the top level management of the Company and other elements of their appointment and gives its recommendation to the Board and acts in terms of reference of the Board from time to time. The Committee also evaluates the performance of Directors and acts in terms of reference of the Board from time to time.

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, the Nomination and Remuneration Committee has recommended the guidelines for evaluation of performance of Independent Directors. This largely includes

- The qualification and experience of Independent Directors
- The ground work the Independent Directors perform before attending the meeting to enable them to mitigate the same.
- The exposure of Independent Directors in different areas of risks the entity faces and advices from them to mitigate the same.

The details of remuneration and other benefits paid during the year to the Managing Director as follows:

<b>(Amount in Rs.)</b>				
<b>Name of Director</b>	<b>Salary &amp; allowances</b>	<b>Other Benefits</b>	<b>Designation</b>	<b>Gross Remuneration</b>
L N Rama Krishna.	57,97,000	-	Managing Director	57,97,000

**For Non-Executive Directors:**

Compensation paid to Non-Executive Directors and their shareholding is as follows:

<b>Name of the Director</b>	<b>Sitting Fee Paid (Rs.)</b>	<b>No. of shares held on 31-03-2019</b>
Sanjiv Gupta	16000	1134284
K. Rajesh	32000	NIL
Muthukrishnan Swaminathan*	24000	NIL
Muninder Raja Arram\$	4000	11955
L Muneashwari	18000	NIL
Srinivas Reddy Mallayagari#	--	--

\* Resigned w.e.f 21.11.2018.

#Appointed w.e.f. 16.02.2019

\$ Appointed w.e.f. 14.11.2108.

Other than payment of sitting fees to Non-Executive Directors and reimbursement of expenses incurred by them for the purpose of attending meetings of the Company, there was no material pecuniary relationship or transaction with the Company. The Company has not issued any stock options to its Directors/Employees during the financial year under review.

**a) Stakeholders' Relationship Committee:**

The present composition of the Stakeholders' Relationship Committee is as under:

<b>S. No.</b>	<b>Name of the Director</b>	<b>Designation</b>
1	K. Rajesh	Chairman
2	L Muneashwari	Member
3	Srinivas Reddy Mallayagari#	Member
4	Muthukrishnan Swaminathan* (Resigned)	Member

\*Resigned w.e.f. 21<sup>st</sup> November, 2018

#Appointed w.e.f. 16<sup>th</sup> February, 2019

The Committee meetings were held 4 (four) times during the year under review on 30<sup>th</sup> May, 2018, 14<sup>th</sup> August, 2018, 14<sup>th</sup> November, 2018 and 13<sup>th</sup> February, 2019. The necessary quorum was present at all the meetings. The Company Secretary acts as Secretary for the meetings.

The Committee is empowered to oversee the redressal of investor's complaints pertaining to share transfer, non-receipt of Annual Reports, issue of duplicate share certificates, transmission of shares and other miscellaneous complaints. In accordance with Regulation 6 of the SEBI (LODR) Regulations, 2015, the Board has authorized Registrar and Transfer Agent (RTA) i.e. Venture Capital and Corporate Investments Private Limited, to approve share transfers/transmissions and comply with other formalities in relation thereto in coordination with the Compliance Officer. All the investor's complaints, which cannot be settled at the level RTA and the Compliance Officer, will be placed before the Committee for final settlement.

Details of Compliance Officer:

Name: Varsha Gupta

Designation: Company Secretary

E-mail ID: cosecy@bodhtree.com

During the year under review, the Company has not received any investor's requests/complaints.

There were no pending investor complaints pertaining to the Financial Year ended 31<sup>st</sup> March, 2019.

The Committee oversees the performance of the Registrar and Transfer agents and recommend measures for overall improvement in the quality of investor services.

**b) Risk Management Committee:**

Risk Management Committee was voluntarily constituted in accordance with the Listing Agreement. The composition of Risk Management committee is as follows:

<b>S. No.</b>	<b>Name of the Director</b>	<b>Designation</b>
1	K. Rajesh	Chairman
2	L Muneashwari	Member
3	Muthukrishnan Swaminathan <sup>1</sup>	Member
4	Srinivas Reddy Mallayagari <sup>2</sup>	Member

<sup>1</sup> Resigned wef 21.11.2018    <sup>2</sup> Appointed w.e.f. 16.02.2019

Chairman and members of the Committee are Non-Executive Directors.

The Committee acts in terms of reference of the Board and was entrusted with the responsibility to assess the risks, frame, implement and monitor the risk management plan for the Company through means of properly defined roles and responsibilities.

**IV. GENERAL BODY MEETINGS:****i) The location and time of the last three Annual General Meetings are as follows:**

<b>Year</b>	<b>Location</b>	<b>Date&amp; Time</b>	<b>Special Resolutions</b>
2017-18	Crystal-I, Radisson Hotel, HITEC City, Gachibowli, Hyderabad – 500032, Telangana	20.09.2018 09.30 A.M.	1. Preferential issue of warrants convertible into fully paid up equity shares  2. Approval of limits for the loans and investments by the Company.
2016-17	Crystal-I, Radisson Hotel, HITEC City, Gachibowli, Hyderabad – 500032, Telangana	22.07.2017 09.30 A.M.	Nil
2015-16	Crystal-II, Radisson Hotel, HITEC City, Gachibowli, Hyderabad – 500032, Telangana	30.09.2016 09.00 A.M.	i) Regularization of Additional Director ii) Approval for Related Party Transactions iii) Approval of ESOP Plan, 2016 iv) to borrow money v) creation of charge vi) further issue of securities vii) Approval of limits for the loans and investments by the Company.

**ii) Special Resolutions passed in Extra-Ordinary General Meetings during the last three years are as follows:**

No General Meetings (Other than AGMs) were held during the last three years.

**iii) Special Resolution passed during the year through postal ballot:**

- No Special Resolution has been passed by the Company through postal ballot during the year under review.

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

**V. DISCLOSURES:****i) Disclosures on Materially Significant Related Party Transactions:**

Besides the transactions mentioned elsewhere in the Annual Report, there were no materially significant related party transactions during the year conflicting with the interest of the Company.

**ii) Details of Non-Compliance and Penalties:**

There was no non-compliance during the last two years by the Company on any matter related to Capital Market. However, instances of non-compliances during the period under review with respect to the violation of provisions of para 7(vi) of the Code of conduct of the listed entity as well as that stipulated in Schedule B under Regulation 9(1) of SEBI (PIT) Regulations, 2015 by few designated persons have been explained in detail in the Secretarial Compliance Report (MR-3) which forms part of the Annual Report.

However, there were no penalties imposed nor strictures passed on the Company by any Stock Exchanges, Securities and Exchange Board of India or any Statutory Authority relating to the capital markets.

**iii) Whistle Blower Policy:**

The Audit Committee has formulated Whistle Blower Policy. As per the policy and company's code of conduct all personnel of the Company have been given access to the Chairman of the Audit Committee.

**iv) CEO/CFO Certification:**

The Managing Director (CEO) has certified and submitted a certificate in compliance with the Regulation 17(8) of SEBI (LODR) Regulations, 2015 which forms as annexure to this report.

**v) Compliance Certificate:**

Compliance Certificate for Corporate Governance from Auditors of the Company is annexed hereto and forms part of this Report.

**vi) Code of Conduct:**

The Company has framed the Code of Conduct for Directors and Senior Management. The Code of Conduct is applicable to all Directors and Senior Management Personnel of the Company. All the members of the Board and Senior Management of the Company have affirmed compliance with their respective Codes of Conducts for the Financial Year ended 31<sup>st</sup> March, 2019.

A declaration to this effect, duly signed by the Managing Director is annexed hereto and forms part of this report.

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

The Company has complied with the mandatory requirements enumerated in Regulation 17 to 27 and Regulation 46(2) (B) to (i) of SEBI (LODR) Regulations, 2015 and has also complied with the non- mandatory requirements as envisaged under Regulation 27 read with Schedule II Part E of SEBI (LODR) Regulations, 2015.

**viii) Web link of Policy on Material Subsidiaries:**

The policy for determining material subsidiaries has been posted on the website of the Company and can be accessed at <https://www.bodhtree.com/about-us/investors/codes&policies>

**ix) Web link of Policy on Related Party Transactions:**

The policy on dealing with related party transactions has been posted on the website of the Company i.e. [http://www.bodhtree.com/investors/Policy on Related Party Transactions.pdf](http://www.bodhtree.com/investors/Policy%20on%20Related%20Party%20Transactions.pdf)

**x) There are no instances where recommendation of the committees have not adopted by the Board of Directors during the period under review.**

**xi) Total fees paid by the Company to Statutory Auditors during the reporting period is as under**

<b>Particulars</b>	<b>Amount in Lakhs</b>
Audit Fee	5,50,000

**xii) During the reporting period there are no instances of suspension of trade in securities of the Company.**

**xiii) During the reporting period, there are no shares held in demat suspense account or unclaimed suspense account.**

**VI. MEANS OF COMMUNICATION:**

**a) Quarterly results:**

The quarterly results of the Company are published in accordance with the requirements of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, in widely circulated newspapers namely Business Standard (English daily) and Andhra Prabha/ Nava Telangana (Telugu daily).

**b) Newspapers wherein results normally published:**

The results of the Company are published in widely circulated newspapers namely Business Standard (English daily) and Andhra Prabha/ Nava Telangana (Telugu daily).

**c) Any website, where displayed:**

The results of the Company are displayed on the Company's website: [www.Bodhtree.com](http://www.Bodhtree.com).

d) Whether it also displays official news releases

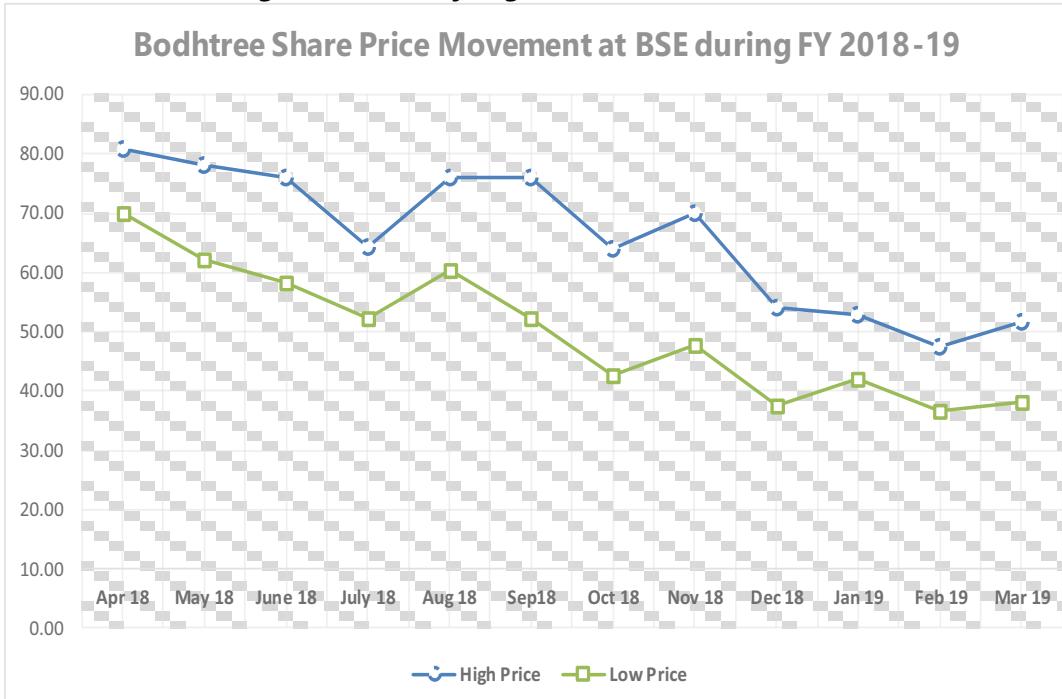
Official news releases along with quarterly results are displayed on the Company website: [www.Bodhtree.com](http://www.Bodhtree.com).

e) Presentations made to institutional investors/analysts are displayed on the Company website and can be accessed to [www.bodhtree.com](http://www.bodhtree.com).

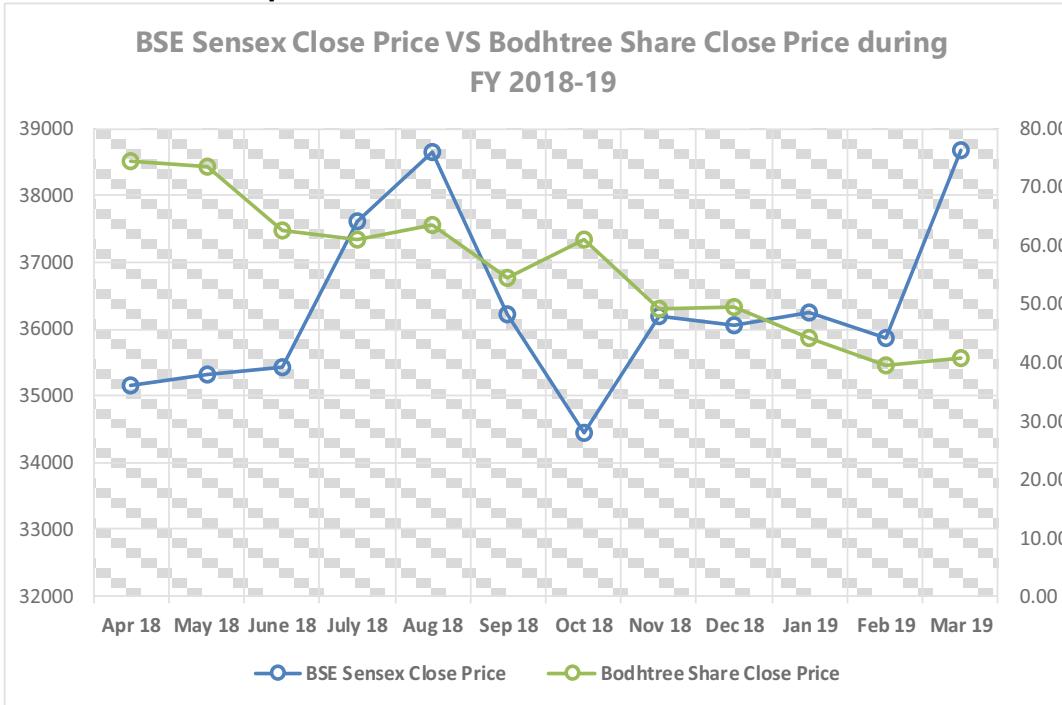
**VII. GENERAL SHAREHOLDER INFORMATION:**

<b>a.</b>	<b>Annual General Meeting:</b>	37 <sup>th</sup> Annual General Meeting			
	<b>Date and time</b>				
	<b>Place</b>	Crystal-I, Radisson, HITEC City, Gachibowli, Hyderabad, Telangana State, India, 500 032			
<b>b.</b>	<b>Financial Year</b>	1 <sup>st</sup> April, 2018 to 31 <sup>st</sup> March, 2019			
<b>c.</b>	<b>Date of Book Closure</b>				
<b>d.</b>	<b>Dividend Payment Date</b>	N.A.			
<b>e.</b>	<b>Listing on Stock Exchanges</b>	M/s. BSE Limited. Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai Listed on BSE w.e.f. 4 <sup>th</sup> May, 2015			
<b>f.</b>	<b>Demat ISIN No. in NSDL &amp; CDSL for Equity shares and Stock Code</b>	INE104F01011  539122			
	The listing fee and custodial fee was paid upto date to the Stock Exchanges and Depositories.				
<b>g.</b>	<b>Market Price Data:</b> High, Low, No. of shares traded on BSE Limited during each month in last financial year	Month	High Price	Low Price	No. of Shares Traded
	Apr-18	80.75	70.00	346526	
	May-18	78.20	62.10	2,77,416	
	Jun-18	76.10	58.25	7,05,522	
	Jul-18	64.40	52.20	2,36,876	
	Aug-18	76.00	60.25	4,65,126	
	Sep-18	76.00	52.20	4,62,794	
	Oct-18	63.90	42.55	2,34,487	
	Nov-18	69.90	47.70	1,21,514	
	Dec-18	54.20	37.55	56,912	
	Jan-19	52.95	42.00	268272	
	Feb-19	47.45	36.55	103628	
	Mar-19	51.70	38.05	3,95,403	

**Bodhtree Consulting Ltd – Monthly High and Low Price Movement:**



**Performance in comparison to broad based indices of BSE Sensex:**



<b>h.</b>	<b>Registrar and Transfer agents</b>	M/s. Venture Capital and Corporate Investments Private Limited, Address: 12-10-167, Bharatnagar, Hyderabad-500018
<b>i.</b>	<b>Share transfer system</b>	SEBI vide its Circular No. CIR/MIRSD/8/2012, dated 5 July 2012 has reduced the time-line for registering the transfer of shares to 15 days, the Physical share transfers are processed and the share certificates are returned to the shareholders within a maximum period of 15 days from

		<p>the date of receipt, subject to the documents being valid and complete in all respects.</p> <p>The SEBI has barred the transfer of shares in physical form w.e.f. 01<sup>st</sup> April, 2019. Any investor desirous of transferring shares (which are in physical form) after 01<sup>st</sup> April, 2019 can do so only after shares are dematerialized vide SEBI Circular LIST/COMP/15/2018.</p>			
<b>j.</b>	<b>Shareholding Pattern as on 31.03.2019</b>	<b>Group</b>			<b>No. of Equity shares</b>
		Promoter			9361384
		Individual investors			6790617
		Bank & Institutions			100000
		Bodies Corporate			2571420
		Others			1134815
		<b>Total:</b>			<b>19958236</b>
<b>k.</b>	<b>Distribution of Equity shares as on 31.03.2019</b>	<b>Category</b>	<b>No. of Shareholders</b>	<b>% to Shareholders</b>	<b>No. of Shares held</b>
		Upto – 500	2171	74.17	323616
		501 - 1000	308	10.52	257395
		1001 - 2000	153	5.23	238583
		2001 - 3000	77	2.63	199121
		3001 - 4000	39	1.33	138550
		4001 - 5000	44	1.50	210169
		5001 - 10000	54	1.84	418504
		10001 and above	81	2.77	18172298
		<b>Total</b>	<b>2927</b>	<b>100.00</b>	<b>19958236</b>
<b>l.</b>	<b>Dematerialization of shares and Liquidity</b>	88.54% of the shares have been dematerialized up to 31 <sup>st</sup> March, 2019.			
		Venture Capital and Corporate Investments Private Limited 12-10-167, Bharat Nagar, Hyderabad - 500 018, T.S, India E-mail: info@vccipl.com			
<b>M</b>	<b>Registrar &amp; Share Transfer Agent</b>	Contact Person : Mr. E S K Prasad, Chief Executive Ph: 040 23818475 / 76 Telefax: 040 23868024			

<b>n.</b>	<b>Outstanding GDRs/ADRs/warrants or convertible bonds, conversion date and likely impact on the equity</b>	NIL
<b>o.</b>	<b>Commodity price risk or foreign exchange risk and hedging activities</b>	NIL
<b>p.</b>	<b>Credit Rating</b>	Not Applicable
<b>q.</b>	<b>Employees Stock Options Scheme</b>	The Board in its Meeting held on 14 November, 2016 has approved BCL ESOP-2016 policy to its Employees with 10 Lakh fully paid-up Equity Shares, which were approved by the shareholders in the 35 <sup>th</sup> Annual General Meeting held on 30 September, 2016. The in-principle approval for the said 10 lakh options was obtained from BSE on 04 January 2017. The Company did not grant any options during F.Y. 2018-19.
<b>r.</b>	<b>Registered Office and Address for correspondence</b>	Block "A", Wing "2", Level -6, Cyber Gateway, Madhapur, Hyderabad- 500 081 Telangana, India Phones: +91-40-66222333 Fax: + 91-40-66222444 Email: cosecy@bodhtree.com Website: www.bodhtree.com

**For and on behalf of the Board  
For Bodhtree Consulting Ltd**

Place: Hyderabad

Date: 14.08.2019

**L N Rama Krishna.**

Managing Director

DIN: 03623543

**K Rajesh**

Director

DIN: 02727491

**ANNEXURE – VIII****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 Personnel) Rules, 2014]*

**The Members,****M/s. Bodhtree Consulting Limited****Hyderabad.**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. Bodhtree Consulting Limited**, (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31<sup>st</sup> March, 2019** has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

- 1.** We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2018 according to the provisions of:
  - i. The Companies Act, 2013 (the Act) and the Rules made under and the Companies Act, 1956 (to the extent applicable);
  - ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
  - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
  - iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment;
  - v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
    - (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR);
    - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (SAST);
    - (c) Securities and Exchange Board of India (Prohibition of Insider Trading) 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;
    - (f) The Securities and Exchange Board of India Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014
- 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 in the financial year under report:
  - (a) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (b) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
  - (c) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and
- 3.** The industry specific laws that are applicable to the Company are as follows:
  - (a) The Information Technology Act, 2000 and the rules made there under; and

(b) Policy relating to Software Technology Parks of India and its regulations

4. We have also examined compliance with the applicable clauses of the following and report that:

(a) 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 SEBI and other acts, as specified above, applicable to the industry of the Company, except the following:.

<b>Sr. No.</b>	<b>Particulars of non-compliance</b>	<b>Details of action taken by the Regulators</b>	<b>Action taken by the Company</b>	<b>Observations by the PCS</b>
1	Delay in compliance of the provisions of section 123 and 124 of the Companies Act, 2013.	--	Amount of dividend for the year 2017-18 was deposited in a separate bank account on the 30th day after the declaration.	As per the provisions of the Act, the Company shall deposit the dividend amount in a separate bank account within 5 days from the date of its declaration, whereas the Company deposited the same on the 30th day. Further, there was a shortage in deposit of dividend amount by Rs.14.34 Lakhs.
2	Delay in filing Form DIR-12 in relation to appointment of Mr. Srinivas Reddy Mallayagari as Additional Director w.e.f 13.02.2019.	--	The Company filed the said form by paying an additional fee on 08th April, 2019.	In fact, the respective form in relation to the appointment should have been filed within 30 days from the date of appointment as per the provisions of Section 170(2), which otherwise attracts the penal provisions specified thereunder.
3	Delay in filing Form MGT-14 in respect of Board Resolution		The Company filed the said form by paying an	In fact, the respective form should have been filed within 30

	passed for approving Inter Corporate Loans & Investment and issue of Convertible Warrants.	--	additional fee on 23rd October, 2018	days from date of passing of resolution as per Section 117 of the Companies Act, 2013, which otherwise attracts the penal provisions specified thereunder.
4	Contra trade by certain designated employees and an Independent Director of the Company within the prescribed time limit and during trading window closure.	A notice was issued by the authorities of SEBI as there was non-compliance of the provisions of para 7(vi) of the Code of Conduct of the listed entity as well of those stipulated in Schedule B under Regulation 9(1) of SEBI (PIT) Regulations, 2015 by certain designated employees and an Independent Director by executing contra trades within six months and during the trading window closure period.	Issued warning letters to the concerned designated employees to strictly adhere to the Code of Conduct or on any such reoccurrence of non-compliance will lead to termination of employment.  In case of the director who violated the code, has been asked to resign from the office.	On transfer of the profit made by the respective designated employees to the SEBI -Investor Education and Protection Fund, they were issued warning letters by SEBI to be in strict compliance of the Regulations in the future.  The Independent Director was also asked to remit the profits made by him to the SEBI -Investor Education and Protection Fund.  The listed entity was asked to take necessary remedial action for avoiding the recurrence of such breaches by the employees and other concerned persons in the future.
5	Non-compliance of the provisions of SEBI Circular No. CIR/CFD/DIL/3/2013 dated January 17, 2013 read with Circular CIR/CFD/DIL/7/2013 dated May 13, 2013.	Various letters were issued seeking certain information in relation to transfer of shares held by the BCL Employees Benefit Trust.	--	The listed entity needs to comply with the provisions of the said circulars.
6	Delay in submission of SOFTEX forms as per the provisions of circular No. dated issued by RBI Circular No.43 dated 13-9-2013.	--	SOFTEX forms were submitted with delay for all the months during the period under review.	As per the said circular, the details of export invoice are to be submitted to the authorities of STPI by filing SOFTEX forms within 30 days of invoice.

**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, the following changes took place in the Board of Directors:

<b>S.No.</b>	<b>Name of the Director</b>	<b>Appointment/ Cessation/ Reappointment</b>	<b>Our Comments</b>
1	Mr. Muninderra Arram	Appointment	Co-opted as an Additional Director by the Board w.e.f 14.11.2018 to act as an Independent Director.
2	Mr. Srinivas Reddy Mallayagari	Appointment	Co-opted as an Appointed as an Additional Director by the Board w.e.f 16.02.2019 to act as an Independent Director.
3	Mr. Muthukrishnan Swaminathan	Cessation	Resigned as an Independent Director w.e.f 21.11.2018

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.

We further report that during the audit period the Company had following events which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, standards, guidelines etc.

**As mentioned in the report pertaining the previous year, we further continue to report that:**

1. 24,25,935 – 0.001% Compulsory Convertible Preference Shares, which were issued to Prameya World Wide Pte. Ltd. on preferential basis, have been converted into 19,12,069 Equity shares of face value of Rs. 10/- each at a premium of Rs.30.60/- each on 26<sup>th</sup> April, 2017. **However, Trading Approval for the said shares is yet to obtained from the BSE Limited as the said shares are not yet credited to beneficiary account of said allottee since the allottee has not provided beneficiary account details to the Company**
2. **Reporting under the provisions of Reserve Bank Master Circular vide Notification No.FEMA 20/2000-RB dt.3<sup>rd</sup> May, 2000 for certain investments received by the Company from Non-Resident Indians under Foreign Direct Investment, is not yet made and we were informed that the Company is in the process of filing compounding.**

**We further continue to report that, during the period under review, show cause notice for personnel hearing under Section 13, 16(1) & 36(1) of FEMA, 1999 was received from the office of Joint Director, Enforcement Directorate, Hyderabad Zonal Office dated 25.03.2019 in the matter of non-submission of Annual Performance Report on Overseas Direct Investment made by the Company in the erstwhile Joint Ventures M/s. Perigon LLC., USA and M/s. Many Futures Inc., USA. We were informed that the Company is in the process of filing Compounding Application for delay in filing of annual performance reports.**

**For P.S. Rao & Associates**  
Company Secretaries

Place: Hyderabad

Date: 14.08.2019

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

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,**

**M/s. Bodhtree Consulting Limited**

**Hyderabad**

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process 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 the Management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure 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

Place: Hyderabad

Date: 14.08.2019

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

**ANNEXURE – IX**

**Disclosure pursuant to Section 62 of the Companies Act, 2013 read with rules made there under and SEBI (Share Based Employee Benefits) Regulations, 2014 regarding stock options.**

<b>Sl. No</b>	<b>Particulars</b>	<b>Details</b>
1	Date of Shareholders Approval	30 September, 2016
2	Total number of options to be granted	10,00,000
3	Vesting requirements	<ul style="list-style-type: none"> <li>- 50% of Granted Options on completion of 1 year from the date of Grant.</li> <li>- 50% of Granted Options on completion of 2 years from the date of Grant.</li> </ul>
4	The pricing formula/Exercise Price	Fair Value and the options will be granted at the price decided by the Nomination and Remuneration Committee at the time of granting options [exercise price].
5	Maximum term of Options granted	5 years
6	Options vested up to 31 March 2017	Nil
7	Options exercise up to 31 March 2017	Nil
8	Options lapsed up to 31 March 2017	Nil
9	Total number of shares arising as a result of exercise of options.	Exercise of Options not yet commenced.
10	Variations of terms of Options	Nil
11	Details of Options granted to Key Managerial Personnel	Options yet to be granted as on 31 March, 2018.
12	Total number of Options in force as at 31 March 2018.	10,00,000
13	Any other employee who receives a grant in any one year of option amounting to 5% or more of options granted during that year.	Nil
14	Identified employees who were granted option during any one year equal to or exceeding 1% of the issued capital [excluding outstanding warrants and conversions] of the company at the time of the grant.	Nil
15	Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of options during the year calculated in accordance with Accounting Standard [AS-20]	There were no shares exercised during the year and Diluted Earnings Per Share is Rs. 2.17.
16	Where the company has calculated employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used fair value options, shall be disclosed. The impact of this difference on profits and on EPS of the Company	The Company will calculate employee compensation cost using the Fair value.
17	Weighted Average Exercise Price and weighted average fair values of options disclosed separately for options whose exercise price either equals or exceeds or is less than market price of the stock.	N/A.

**M/s. N K R & Co**  
Chartered Accountants

Door No. 6-2-941, Flat No. 205, Mughal's Emami Mansion, Khairatabad, Hyderabad - 500 004  
Ph. Nos. 040 66758388; email: contact@nisarkumar.in

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To

The Members of M/s. Bodhtree Consulting Limited,

**CERTIFICATE ON CORPORATE GOVERNANCE**

We have examined the compliance of conditions of corporate governance by M/s. Bodhtree Consulting Limited ("the Company"), for the year ended March 31, 2019, as stipulated in Chapter IV of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")

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

In our opinion and to the best of our information and according to the explanations given to us by the Directors and management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Chapter IV of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

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

**For N K R & Co**  
Chartered Accountants  
Firm Registration No: 127820W

Place: Hyderabad  
Date: 30 May, 2019

**T.N.V.Visweswara Rao**  
Partner  
Membership No: 204084

**Managing Director (CEO) and CFO Certification**

I, L N Ramakrishna, Managing Director of Bodhtree Consulting Limited, to the best of my knowledge and belief, hereby certify that;

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

Place: Hyderabad

Date: 30.05.2019

**L N Rama Krishna**

Managing Director

DIN. 03623543

**DECLARATION FOR COMPLIANCE WITH CODE OF CONDUCT**

I, L N Rama Krishna, Managing Director, hereby declare that the Company has received the declarations from all the Board Members and Senior Management Personnel affirming compliance with Code of Conduct for Members of the Board and Senior Management for the financial year 2018-19.

Place: Hyderabad

Date: 30.05.2019

**L N Rama Krishna**

Managing Director

**CERTIFICATE ON NON-DISQUALIFICATION OF DIRECTORS**

[Pursuant to Regulation 34(3) and Schedule V Para C Clause 10(i) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015]

To

The Members,

**BODHTREE CONSULTING LIMITED**

#Block "A", Wing "2", Level 6,  
Cyber Gateway, Hitech City,  
Madhapur, Hyderabad,  
TG- 500 081.

We have examined the relevant records, forms, returns and disclosures received from the Directors of **BODHTREE CONSULTING LIMITED** having **CIN: L74140TG1982PLC040516** and having registered office at #Block "A", Wing "2", Level 6, Cyber Gateway, Hitech City, Madhapur, Hyderabad, TG - 500081 (hereinafter referred to as "the Company") produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read sub-clause 10(i) of Para C of Schedule V to the SEBI (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](http://www.mca.gov.in)] as considered necessary and the explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company for the financial year ended 31st March, 2019 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 other statutory authority.

<b>Sr. No.</b>	<b>Name of Director</b>	<b>Nature/ Category of Directorship</b>	<b>DIN</b>
1	Sanjiv Gupta	Non- Executive Director	00233040
2	Katragadda Rajesh	Independent Director	02727491
3	Ramakrishna Naga Lakkimsetti	Managing Director	03623543
4	Lakkimsetti Muneashwari	Non- Executive Director	07219454
5	Swaminathan Muthukrishnan1	Independent Director	00339373
6	Muninderraja Arram2	Non- Executive Professional Director	07962171
7	Srinivas Reddy Mallayagari3	Independent Director	08070053

1 Mr. Swaminathan Muthukrishnan has resigned from the office of director w.e.f. 21st November, 2018.

2 Mr. Muninderraja Arram was co-opted as Additional Director w.e.f. 14th November, 2018.

3 Mr. Srinivas Reddy Mallayagari was co-opted as Additional Director w.e.f. 16th February, 2019.

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

**For P.S. Rao & Associates  
Company Secretaries**

**P.S. RAO**

Practising Company Secretary  
FCS No: 10322  
C.P. No: 3829

Place: Hyderabad  
Date: 14.08.2019

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BODHTREE CONSULTING LIMITED****Report on the Audit of the Standalone Financial Statements****Opinion**

We have audited the accompanying standalone financial statements of **Bodhtree Consulting Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

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

**Key Audit Matters**

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

<b>The key audit matters</b>	<b>How the matters was addressed in our audit</b>
<b>Revenue Recognition</b>	
The Company has different streams of revenue generation from Information Technlogoy related Services. The application of the new revenue accounting standard involves certain key judgements relating to	Our audit procedures on revenue recognized from the programs Obtaining an understanding of the systems, processes and controls implemented by management for recording and calculating revenue and the associated

<p>identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognised over a period. Due to the large variety and complexity of contractual terms, significant judgements are required to estimate the amount applied. If the actual amount differs from the amount applied or estimated amount, this will have an impact on the accuracy of the revenue recognised in the current period. The agreements may involve onerous obligations on the Company that require estimates to be made by the management; and Ensuring reconciliations for the revenue recognized</p> <p>There is inherent risk of accuracy for the revenue to be realized as per the agreed calculation as per the agreement and the involvement of IT systems.</p>	<p>agreements, unearned and unbilled revenue. On selected samples, we tested that the revenue recognized is in accordance with the accounting standard by Evaluating the identification of performance obligations.</p> <p>Evaluating a detailed analysis performed by the management on revenue streams by selecting samples for the existing contracts with customers and considered revenue recognition policy in the current period in respect of those revenue streams</p> <p>For fixed price contracts, verified the measurement of revenue for the extent of delivery of performance obligations with the actual and estimated cost of efforts as per the time recording system and budgets.</p>
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#### **Information Other than the Standalone Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

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

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and describe actions applicable in the applicable laws and regulations.

#### **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

STANDALONE BALANCE SHEET AS AT 31ST MARCH 2019

Particulars	Note No.	Amount in Rs.	
		As At 31st March, 2019	As At 31st March, 2018
<b>I. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Property, Plant and Equipment	4	38,604,813	51,022,437
(b) Intangible Assets		142,355,168	98,208,205
(c) Intangible Asset Under Development		15,076,858	87,141,588
		<b>196,036,839</b>	<b>236,372,230</b>
(d) Financial Assets	5	72,848,710	73,075,710
(i) Investments	6	3,520,935	10,625,383
(e) Deferred Tax Asset			
		<b>272,406,484</b>	<b>320,073,323</b>
<b>(2) Current Assets</b>			
(a) Financial Assets			
(i) Trade receivables	7	1,061,154,417	577,211,026
(ii) Cash and cash equivalents	8	3,774,032	2,670,101
(iii) Bank balances other than (ii) above		30,462,623	27,898,924
(iv) Loans and advances	9	46,488,239	40,084,267
(v) Other Financial Assets	10	7,475,175	13,620,295
(b) Current Tax Assets (Net)	11	15,760,518	65,253,398
(c) Other Current Assets	12	65,751,829	45,792,711
		<b>1,230,866,832</b>	<b>772,530,722</b>
		<b>1,503,273,316</b>	<b>1,092,604,044</b>
<b>II. EQUITY AND LIABILITIES:-</b>			
<b>EQUITY</b>			
(a) Equity Share Capital	13	199,582,360	199,582,360
(b) Other Equity	14	302,931,222	240,327,736
		<b>502,513,582</b>	<b>439,910,096</b>
<b>LIABILITIES</b>			
<b>(1) Non-Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	15	23,283,919	31,187,917
(b) Provisions	16	7,252,125	6,902,377
		<b>30,536,044</b>	<b>38,090,294</b>
<b>(2) Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	17	84,535,121	181,230,611
(ii) Trade Payables	18	645,660,676	182,148,008
(iii) Other Financial Liabilities	19	56,736,519	49,293,146
(b) Other Current Liabilities	20	182,533,889	200,998,045
(c) Provisions	21	757,486	933,844
		<b>970,223,690</b>	<b>614,603,654</b>
		<b>1,503,273,316</b>	<b>1,092,604,044</b>
<i>Significant Accounting Policies</i>	2-3		

The Notes referred to above and Statement on Significant Accounting Policies form an integral part of the Financial Statements.

As per our attached report of even date

**For N K R & CO**  
**Chartered Accountants**  
**Firm Reg. No: 127820W**

T.N.V.Visweswara Rao  
 Partner  
 M.No. 204084

**For Bodhtree Consulting Limited**  
**CIN: L74140TG1982PLC040516**

**L. N. Ramakrishna**  
 Managing Director  
 DIN: 03623543

**K. Rajesh**  
 Director  
 DIN: 02727491

Place: Hyderabad  
 Date: 30/05/2019

**K. Prabhakar Rao**  
 Vice-President- Finance

**Varsha Gupta**  
 Company Secretary

**STANDALONE STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2019**

			Amount in Rs.	
	Particulars	Note No.	Year Ended 31st March, 2019	Year Ended 31st March, 2018
<b><u>Income:</u></b>				
Revenue from operations		22	1,162,884,460	1,144,950,904
Other Income		23	26,479,264	2,295,112
	<b>Total Revenue - (A)</b>		<b>1,189,363,724</b>	<b>1,147,246,015</b>
<b><u>Expenses:</u></b>				
Work Execution expenses		24	793,919,980	786,419,891
Employee Benefits Expense		25	115,631,760	160,258,145
Finance Costs		26	35,071,862	20,811,809
Depreciation and Amortization Expense		4	58,598,868	57,928,229
Other Expenses		27	60,290,421	56,034,741
	<b>Total Expenses - (B)</b>		<b>1,063,512,891</b>	<b>1,081,452,815</b>
<b><i>Profit before exceptional items and tax - (A) -(B)</i></b>			<b>125,850,833</b>	<b>65,793,200</b>
Exceptional Items				
<b>Profit Before Tax</b>			<b>125,850,833</b>	<b>65,793,200</b>
<b><u>Tax expense:</u></b>				
(a) Current Tax			34,365,149	22,866,085
(b) Taxes of earlier years			3,072,739	-
(c) Deferred Tax - Liability / (Asset)			7,180,579	(1,367,709)
<b>Profit/(Loss) for the Year</b>			<b>81,232,365</b>	<b>44,294,824</b>
<b>Other Comprehensive Income</b>				
<u>A. Items that will not be reclassified to profit or loss</u>				
Remeasurements of post employment benefit				
Income tax on these item			(658,774)	(1,257,243)
			76,131	37,515
<u>B. Items that will be reclassified to profit or loss</u>				
<b>Total Comprehensive income for the period</b>			<b>80,649,722</b>	<b>43,075,096</b>
Earning per equity share:				
(a) Basic		29	4.04	2.17
(b) Diluted			4.04	2.17
	<i>Significant Accounting Policies</i>	2-3		

The Notes referred to above and Statement on Significant Accounting Policies form an integral part of the Financial Statements.

As per our attached report of even date

**For N K R & CO**  
**Chartered Accountants**  
**Firm Reg. No: 127820W**

**For Bodhtree Consulting Limited**  
**CIN: L74140TG1982PLC040516**

**T.N.V.Visweswara Rao**  
**Partner**  
**M.No. 204084**

**L. N. Ramakrishna**  
**Managing Director**  
**DIN: 03623543**

**K. Rajesh**  
**Director**  
**DIN: 02727491**

Place: Hyderabad  
Date: 30/05/2019

**K. Prabhakar Rao**  
**Vice-President- Finance**

**Varsha Gupta**  
**Company Secretary**

**Standalone Statement of Changes in Equity for the year ended March 31, 2019**

**a. Equity Share Capital**

Particulars	Amount In Rs.	
	As at March 31, 2019	As at March 31, 2018
Balance at the beginning of the reporting period	199,582,360	180,461,670
Changes in equity share capital during the year	-	19,120,690
Balance at the end of the reporting period	<b>199,582,360</b>	<b>199,582,360</b>

**b. Other Equity**

**Statement of Changes in Equity**

Particulars	Securities Premium	Other Reserves	Retaining Earnings	Total
<b>Balance as at April 01, 2018</b>	<b>137,334,650</b>	<b>5,000,000</b>	<b>97,993,086</b>	<b>240,327,736</b>
Addition / (deletion ) during the year / Period	-	-	-	-
Profit / (Loss) for the year	-	-	81,232,365	81,232,365
Other comprehensive income for the year	-	-	(582,643)	(582,643)
Total comprehensive income for the year	-	-	<b>80,649,722</b>	<b>80,649,722</b>
Dividend and Dividend Tax paid	-	-	(18,046,237)	(18,046,237)
<b>Balance as at March 31, 2019</b>	<b>137,334,650</b>	<b>5,000,000</b>	<b>160,596,572</b>	<b>302,931,222</b>

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2019

**1 Corporate information**

Bodhtree Consulting Limited is an IT and IT Enabling Services (ITES) provider. The company is headquartered in India and provides technology consulting services to various companies and SMEs across the globe. With a primary focus on Cloud CRM and Analytics, Bodhtree provides a range of services including solution design, development, implementation, integration, maintenance and support for customers in the healthcare & life sciences, hi-tech manufacturing, education and government verticals.

**Significant Accounting Policies****2a. Basis of Preparation:**

The Standalone financial Statements have been prepared to comply in all material aspects with the Accounting Standards notified under Section 133 of Companies Act, 2013 as per Companies (Indian Accounting Standards (Ind AS) Rules, 2015 and other relevant provisions of the Companies Act, 2013 and rules framed thereunder.

**b. Use of estimates:**

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosures relating to contingent liabilities, at the end of the reporting period. Actual results could differ from these estimates and adjustments are recognised in the periods in which the results are known / materialised.

**c. Property Plant and Equipment:**

Property, plant and equipment is stated at cost of acquisition, net of accumulated depreciation and accumulated impairment losses, if any. Property, plant and equipment under installation or under construction as at balance sheet are shown as capital work-in-progress, and the related advances are shown as loans and advances.

Cost of acquisition comprises of all costs incurred to bring the assets to their location and working condition up to the date the assets are put to their intended use. Costs of construction are composed of those costs that relate directly to specific assets and those that are attributable to the construction or project activity in general and can be allocated to specific assets up to the date the assets are put to their intended use.

Depreciation on fixed assets is provided on a straight-line method over their estimated useful lives at the rates as prescribed under Schedule II of the Companies Act, 2013. Depreciation is charged on pro-rata basis from the date of capitalisation. Individual assets costing Rs.5,000 or less are fully depreciated in the year of acquisition.

Amortisation on softwares is provided on a straight-line method over their estimated useful lives of 3 years. Amortisation is charged on pro-rata basis from the date of capitalisation.

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

Expenditure incurred towards development eligible for capitalization are carried as intangible assets under development where such assets are not yet ready for their intended use.

An Intangible asset is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is de-recognised.

**d. Impairment of assets other than financial assets:**

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired.

If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount but limited to the carrying amount that would have been determined (net of depreciation / amortization and depletion) had no impairment loss been recognised in prior accounting periods. A reversal of an impairment loss is recognised immediately in P&L.

**e. Revenue Recognition:**

Revenue recognition depends on the arrangements with the customer which are either on "Time and material" or on a "fixed-price" basis. Revenue from software services performed on a "time and material" basis is recognized as and when services are performed and/or on the basis of man-days/man hours spent as per terms of the contracts.

The Company also performs work under "fixed-price" arrangements, under which revenue is recognized as per the 'percentage- of-completion' method, where the performance obligations are satisfied over time and when there is no uncertainty as to measurement or collectability of consideration. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Percentage of completion is determined based on the project costs incurred to date as a percentage of total estimated project costs required to complete the project. The input method has been used to measure the progress towards completion as there is direct relationship between input and productivity. Provision for estimated losses on such engagements is made in the year in which such loss becomes probable and can be reasonably estimated.

Unbilled revenue represents amounts recognized based on services performed in advance of billings in accordance with contract terms and is net of estimated allowances for uncertainties and provision for estimated losses. Revenues from Annual maintenance contracts are recognised pro-rata over the period of the contract in which the services are rendered.

Reimbursement of expenditure is recognised under revenue along with recognition of sale of service to which it relates. Revenue is net of volume discounts/price incentives which are estimated and accounted for based on the terms of the contracts and also net of applicable indirect taxes.

Revenue from sale of licenses, hardware and other related items are recognized when the significant risk and rewards of ownership and title of the product is transferred to the buyer which generally coincides with acknowledgement of delivery. The value of the sale is net of taxes.

**Contract assets:** A contract asset is the right to consideration in exchange for services transferred to the customer. If the Company performs by transferring services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

**Trade receivables:** A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section Financial instruments.

**Contract liabilities:** A contract liability is the obligation to transfer services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Company performs under the contract.

Interest income is recognised on a time proportion basis, by reference to the principal outstanding and at the

effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Divided income is recognised on right to receive the payment is established.

**f. Impairment of assets:**

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount but limited to the carrying amount that would have been determined (net of depreciation / amortization and depletion) had no impairment loss been recognised in prior accounting periods. A reversal of an impairment loss is recognised immediately in P&L.

**g. Investments:**

i) Classification :- The company classifies its financial assets at fair value (either through other comprehensive income, or through profit or loss). The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

ii) Measurement:- At initial recognition, the company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction cost that are directly attributable to the acquisition of the financial asset. Transaction cost of financial assets carried at fair value through profit or loss are expensed in profit or loss.

iii) Investments in subsidiary / Associate companies are recorded at cost and reviewed for impairment at each reporting date

**h. Foreign currency transactions/translations:**

i) Functional and Presentation Currency - The company's financial statements are presented in Indian Rupee (Rs.), which is also the company's functional and presentation currency

ii) Transactions in foreign currencies are translated into functional currency using the exchange rate at the date of the transactions. Foreign exchange gains / loss from transaction and translation of monetary items at the end of the year are recognised in statement of profit and loss accounts.

iii) Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non monetary items measured at fair value in a foreign currency are translated using the exchange rate at the date when the fair value is determined. The gain or loss on translation of non monetary items measured at fair value is recognised in Other comprehensive income or Profit and loss.

**I. Retirement and other Employee benefits:****i. Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

**ii. Other long-term employee benefit obligations**

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the

reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss

The Company operates the following post-employment schemes:

- (a) defined benefit plans
- (b) defined contribution plans

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The net interest cost and Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised in statement of Profit & Loss account.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income.

They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Defined contribution plans

Provident fund contributions are recognised as employee benefit expense when they are due.

**j. Income Tax:**

Tax expense represents the sum of Current Tax and Deferred Tax. Current and deferred tax are recognised as an expense or income in the income statement, except when they relate to items credited or debited directly to equity, in which case the tax is also recognised directly in equity.

**i. Current Tax-** Current Tax payable by Company is computed in accordance with the applicable tax rates and tax laws.

**ii. Deferred Tax-** Deferred tax is recognised on all temporary differences between the carrying amount of Assets and Liabilities in the Financial Statements and the corresponding tax bases used in computation of Taxable profit. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset will be realized or the liability will be settled, based on tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and is reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

**k. Cash flow statement:**

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the Company are segregated.

**l. Provisions, contingent liabilities and contingent assets:**

A provision is recognised when there is a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Contingent liabilities are not recognised but disclosed unless the probability of an outflow of resources is remote. Contingent assets are not recognized but disclosed when an inflow of economic benefits is probable.

**m. Borrowing costs:**

Borrowing costs are expensed as incurred and any Borrowing costs attributable to the acquisition or construction of qualifying assets, as defined in Ind AS 23 on “Borrowing Costs” are capitalised as part of the cost of such asset up to the date when the asset is ready for its intended use.

**n. Financial Instruments:**

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions

of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

I. Cash and cash equivalents- The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

ii. Financial assets at amortised cost- Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is 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.

iii. Financial assets at fair value through other comprehensive income (FVTOCI)- Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets.

The Company has made an irrevocable election to present subsequent changes in the fair value of equity investments not held for trading in Other Comprehensive Income.

iv. Financial assets at fair value through profit or loss (FVTPL)- Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

v. Financial liabilities are measured at amortised cost using the effective interest method.  
vi. Equity investments other than equity investment in subsidiaries & associates- Investments in equity instruments are classified as at FVTPL, unless the company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

vii. Equity instruments- An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are measured at the proceeds received net of direct issue costs.

viii. Offsetting of financial instruments- Financial assets and financial liabilities are off set and the net amount is reported in financial statements if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

ix. Impairment of Financial assets- The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVTOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

**o. Segment Reporting:**

The Company has only one reportable business segment, which is Software and related products. Accordingly, the amounts appearing in the standalone financial statements relate to the Company's single business segment.

**p. Earning Per Share:**

The company presents basic and diluted earnings per share (“EPS”) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the company by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

**3Changes in accounting policies and disclosures****New and amended standards**

The Company applied Ind AS 115 for the first time. The nature and effect of the changes as a result of adoption of these new accounting standards are described below.

Several other amendments and interpretations apply for the first time in March 2019, but do not have an impact on the standalone financial statements of the Company. The Company has not early adopted any standards or amendments that have been issued but are not yet effective.

**Ind AS 115 Revenue from Contracts with Customers**

Ind AS 115 was issued on March 28, 2018 and supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue and it applies, with limited exceptions, to all revenue arising from contracts with customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures.

The Company adopted Ind AS 115 using the modified retrospective method of adoption with the date of initial application of April 1, 2018. Under this method, the standard can be applied either to all contracts at the date of initial application or only to contracts that are not completed at this date. The Company elected to apply the standard to all contracts as at April 1, 2018.

Under the modified retrospective approach there were no significant adjustments required to the retained earnings at April 1, 2018. Also, the application of Ind AS 115 did not have any significant impact on recognition and measurement of revenue and related items in the standalone financial statements.

**Appendix B to Ind AS 21 Foreign Currency Transactions and Advance Considerations**

The appendix clarifies the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income when an entity has received or paid advance consideration in foreign currency. This interpretation does not have any significant impact on the Company’s standalone financial statements.

**Appendix C to Ind AS 12 Uncertainty over Income Tax Treatment**

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12.

The Company is currently evaluating the impact that the adoption of this new standard will have on its financial statements.

**STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2019**

(Amount in Rs.)

PARTICULARS		2018-19		2017-18
<b>A) CASH FLOW FROM OPERATING ACTIVITIES:</b>				
Profit for the year		80,649,722		43,075,096
<b>Adjustment for:</b>				
Tax Expense	41,469,598		21,460,862	
Fair value difference of financial Instruments	227,000		296,699	
Depreciation	58,598,868		57,928,229	
Finance Costs	35,071,862		20,811,809	
Interest received	(2,759,946)		(2,295,112)	
Provision for Gratuity	3,036,591		3,832,611	
Provision for Leave Encashment	739,077		519,834	
Unrealised exchange loss / (profit)	(17,885,348)		468,282	
Loss/ (Profit ) on Sale of Asset	(4,616,103)		-	
		113,881,599		103,023,215
<b>Operating profit before working capital changes</b>		<b>194,531,321</b>		<b>146,098,310</b>
<b>Adjustment for change in Working Capital</b>				
Decrease/(Increase) in Short Term Loans & Advances	(6,403,972)		4,741,527	
Decrease/(Increase) in Other Financial Assets	6,145,120		1,951,172	
Decrease/(Increase) in Trade Receivables	(461,441,940)		(196,112,259)	
Decrease/(Increase) in Other Current Assets	(19,959,118)		46,790,855	
Increase/ (Decrease) in Trade Payables	463,512,668		31,843,750	
Increase/ (Decrease) in Other Financial Liabilities	6,741,299		16,001,166	
Increase/ (Decrease) in Other Current Liabilities	(23,846,211)		(63,000,532)	
Gratuity Paid	(2,472,714)		(2,737,320)	
Leave Encashment Paid	(1,129,565)		(799,443)	
		(38,854,432)		(161,321,085)
<b>Cash Generated from Operations</b>		<b>155,676,889</b>		<b>(15,222,774)</b>
<b>Less:</b>				
Aggregate Direct Taxes paid/(Refund)	(15,127,731)		23,686,333	
		(15,127,731)		23,686,333
<b>Net Cash from Operating Activities</b>		<b>170,804,620</b>		<b>(38,909,108)</b>
<b>B) CASH FLOW FROM INVESTING ACTIVITIES:</b>				
Purchase of Fixed Assets	(1,813,830)		(29,137,256)	
Product Development Cost	(16,449,647)		(50,198,351)	
Sale of Fixed Assets	-		-	
Interest Received on Fixed Deposit	2,759,946		2,295,112	
		(15,503,531)		(77,040,495)
<b>Net Cash used in Investing Activities</b>		<b>(15,503,531)</b>		<b>(77,040,495)</b>
<b>C) CASH FLOW FROM FINANCING ACTIVITIES:</b>				
Proceeds from Non-Current Borrowings	3,041,930		37,120,968	
Repayment of Non-Current Borrowings	(10,243,855)		(3,408,750)	
Movement in Current Borrowings	(96,695,490)		108,453,384	
Bank Balance not considered as cash and cash equivalents	(2,563,699)		5,545,576	
(Refer Note: 8)	-			
Dividends Paid (including distribution tax)	(12,664,183)		(10,667,900)	
Finance Costs	(35,071,862)		(20,811,809)	
		(154,197,158)		116,231,469
<b>Net cash generated through financing activities</b>		<b>(154,197,158)</b>		<b>116,231,469</b>
<b>Net Increase/(Decrease) in Cash and equivalents (A+B+C)</b>		<b>1,103,931</b>		<b>281,866</b>
Cash & Cash Equivalents at the Beginning of the Year	2,670,101		2,388,234	
Cash & Cash Equivalents at the End of the Year	3,774,032		2,670,101	
<b>Note:-</b>				
(i). The above cash flow statement has been prepared under the indirect method as set out in the Ind AS-7 'Statement of Cash Flows'.				
(ii). Cash and cash equivalents included in the cash flow statement comprise of the following balance sheet amounts:				
		2018-19		2017-18
Cash and cash equivalents at the end of the year as per cash flow statement		3,774,032		2,670,101
Add: In Deposit a/c - Held as Security for the Loan and Margin Money against Bank Guarantee		30,462,623		27,898,924
<b>Cash and cash equivalents at the end of the year as per Note: 8</b>		<b>34,236,654</b>		<b>30,569,024</b>

As per our attached report of even date

For N K R & CO  
Chartered Accountants  
Firm Reg. No: 127820W

For Bodhtree Consulting Limited  
CIN: L74140TG1982PLC040516

T.N.V.Visweswara Rao  
Partner  
M.No. 204084

L. N.Ramakrishna  
Managing Director  
DIN: 03623543

K. Rajesh  
Director  
DIN: 02727491

Place: Hyderabad  
Date: 30/05/2019

K. Prabhakar Rao  
Vice-President- Finance

Varsha Gupta  
Company Secretary

Notes Forming Integral Part of the Standalone Balance Sheet as at 31st March, 2019

**Note 4**  
*Property, plant and equipment*

S.No.	PARTICULARS	GROSS BLOCK			DEPRECIATION			Net Block	
		As At 1st April 2018	Additions	Deletions/Adjustments	As At 31st March, 2019	For the Year	Deletions/Adjustments	As at 31st March, 2019	As At Mar 2019
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
<b>(1) Tangible Assets</b>									
1	Computer - Hardware	61,874,000	-	-	61,874,000	48,706,482	5,598,260	-	54,304,742
2	AC/UPS/Stabilisers	9,720,842	-	-	9,720,842	6,373,224	1,423,061	-	7,796,285
3	Electrical Items	4,825,101	-	-	4,825,101	1,733,417	471,140	-	2,204,557
4	Office Equipment	18,093,926	-	-	18,093,926	6,165,938	2,904,366	-	9,070,304
5	Audio & Video Systems	197,000	14,250	-	211,250	193,835	1,678	-	195,513
6	Furniture & Fixtures	16,176,732	-	-	16,176,732	8,703,773	1,165,490	-	9,869,263
7	Vehicles	26,956,090	1,799,580	-	28,755,670	14,944,584	2,667,458	-	17,612,042
	<b>Total</b>	<b>137,843,691</b>	<b>1,813,930</b>	-	<b>139,657,521</b>	<b>86,821,253</b>	<b>14,231,453</b>	-	<b>101,052,706</b>
<b>(2) Intangible Assets</b>									
1	Computer - Software	15,758,073	-	-	15,758,073	15,549,903	208,170	-	15,758,073
2	Developed Software Product	138,925,137	88,514,377	-	227,439,514	40,925,102	44,159,245	-	85,084,347
	<b>Total</b>	<b>154,683,210</b>	<b>88,514,377</b>	-	<b>243,197,587</b>	<b>56,475,005</b>	<b>44,367,415</b>	-	<b>100,842,420</b>
	<b>Grand Total</b>	<b>292,526,901</b>	<b>90,328,207</b>	-	<b>382,855,108</b>	<b>143,296,258</b>	<b>58,598,868</b>	-	<b>201,895,126</b>
	<b>Previous Year</b>	<b>223,389,645</b>	<b>69,137,256</b>	-	<b>292,526,901</b>	<b>85,368,029</b>	<b>57,928,229</b>	-	<b>143,296,258</b>
	<b>(3) Intangible Assets under Development</b>	<b>87,141,588</b>	<b>16,449,647</b>	<b>88,514,377</b>	<b>15,076,858</b>				<b>149,230,643</b>
									<b>138,021,516</b>

Note:

Intangible Assets under Development represents the cost incurred by the company on development of software which will be capitalised on completion thereof.

Notes Forming Integral Part of the Standalone Balance Sheet as at 31st March, 2019

<b>Note : 5 Investments</b>		<b>Amount in Rs.</b>	
	<b>Particulars</b>	<b>As At 31st March, 2019</b>	<b>As At 31st March, 2018</b>
	<b>Investment in Equity Instruments</b>		
	<i>Unquoted</i>		
	<i>Investment in Subsidiary</i>		
	Bodhtree Human Capital Private Limited 10,000 Equity Shares of Rs.10 each	100,000	100,000
	<i>Investments in Associates</i>		
	Learnsmart India Private Limited 505,000 Equity shares of Rs.10 each	5,050,000	5,050,000
	Pressmart Media Limited 5,257,924 Equity shares of Rs.10 each	67,199,710	67,199,710
	<i>Quoted</i>		
	Hypersoft Technologies Limited 100,000 (31st Mar'18 : 100,000,) Equity Shares of Rs.10 each	499,000	726,000
	<b>Total</b>	<b>72,848,710</b>	<b>73,075,710</b>

<b>Note : 6 Deferred Tax Asset / (Liabilities)</b>		<b>Amount in Rs.</b>	
	<b>Particulars</b>	<b>As At 31st March, 2019</b>	<b>As At 31st March, 2018</b>
	On account of depreciation	(3,629,157)	(4,381,003)
	On account of provisions, tax losses and investments	7,150,091	15,006,386
	<b>Total</b>	<b>3,520,935</b>	<b>10,625,383</b>

<b>Note : 7 Trade Receivables</b>		<b>Amount in Rs.</b>	
	<b>Particulars</b>	<b>As At 31st March, 2019</b>	<b>As At 31st March, 2018</b>
	<b>(Unsecured, Considered Good)</b>		
	Trade Receivables	1,061,154,417	577,211,026
	<b>Total</b>	<b>1,061,154,417</b>	<b>577,211,026</b>

Notes Forming Integral Part of the Standalone Balance Sheet as at 31st March, 2019

<b>Note : 8 Cash &amp; Cash Equivalents</b>		<b>Amount in Rs.</b>	
	<b>Particulars</b>	<b>As At 31st March, 2019</b>	<b>As At 31st March, 2018</b>
	Cash on Hand	59,904	538,815
	Balances with Banks -In Current Accounts with Banks	3,714,127	2,131,285
		<b>Sub Total (A)</b>	<b>2,670,101</b>
	<b>Bank balances other than above</b>		
	In Deposit a/c - Held as Security for the Loan and Margin	30,462,623	27,898,924
	Money against Bank Guarantee		
		<b>Sub Total (B)</b>	<b>27,898,924</b>
	<b>Total [ A + B ]</b>	<b>34,236,654</b>	<b>30,569,024</b>
	Of the above, the balances that meet the definition of Cash and cash equivalents as per Ind AS 7 Cash Flow Statements	<b>3,774,032</b>	<b>2,670,101</b>

<b>Note : 9 Loans and Advances</b>		<b>Amount in Rs.</b>	
	<b>Particulars</b>	<b>As At 31st March, 2019</b>	<b>As At 31st March, 2018</b>
	<b>(Unsecured, Considered Good)</b>		
	Advances to related parties	35,206,841	34,113,706
	Deposits	10,807,398	5,496,561
	Others	474,000	474,000
	<b>Total</b>	<b>46,488,239</b>	<b>40,084,267</b>

<b>Note : 10 Other Financial Assets</b>		<b>Amount in Rs.</b>	
	<b>Particulars</b>	<b>As At 31st March, 2019</b>	<b>As At 31st March, 2018</b>
	<b>(Unsecured, Considered Good)</b>		
	Security Deposits	7,475,175	13,620,295
	<b>Total</b>	<b>7,475,175</b>	<b>13,620,295</b>

<b>Note : 11 Current Tax Assets (Net)</b>		<b>Amount in Rs.</b>	
	<b>Particulars</b>	<b>As At 31st March, 2019</b>	<b>As At 31st March, 2018</b>
	Advance Tax (Net ) Mat Credit Entitlement	15,760,518	62,744,137 2,509,261
	<b>Total</b>	<b>15,760,518</b>	<b>65,253,398</b>

<b>Note : 12 Other Current Assets</b>		<b>Amount in Rs.</b>	
	<b>Particulars</b>	<b>As At 31st March, 2019</b>	<b>As At 31st March, 2018</b>
	<b>(Unsecured, Considered Good)</b>		
	Advance to Suppliers	18,350,861	23,387,691
	Advances to employees	4,266,931	4,067,445
	Prepaid Expenses	1,863,206	4,095,830
	Unbilled Revenue	40,656,217	13,791,745
	Others	614,614	450,000
	<b>Total</b>	<b>65,751,829</b>	<b>45,792,711</b>

Notes Forming Integral Part of the Standalone Balance Sheet as at 31st March, 2019

**Note : 13 Equity Share Capital**

<b>Amount in Rs.</b>			
	Particulars	As At 31st March, 2019	As At 31st March, 2018
<b>AUTHORIZED CAPITAL</b>			
3,10,00,000 Equity Shares of Rs. 10/- each		310,00,000	310,00,000
		310,00,000	310,00,000
<b>ISSUED , SUBSCRIBED &amp; FULLY PAID UP CAPITAL</b>			
1,99,58,236 Equity Shares of Rs. 10/- each with Voting Rights		199,582,360	199,582,360
<b>Equity Shares of Rs.10/- each:</b>			
<b>Shares held by holding / ultimate holding company and / or their subsidiaries / associates and details of the shareholding more than 5% shares in the company</b>			
<b>Name of Shareholder</b>	<b>2018-19</b>	<b>2017-18</b>	
1.Bodhtree Solutions Inc	80,00,000	40.08	80,00,000
2.Sanjiv Gupta	11,34,284	5.68	21,34,500
3.Premeya World Wide Pte Ltd*	19,12,069	9.58	19,12,069
*19,12,069 equity shares were allotted to M/s Premeya World Wide Pte Ltd on 26th April, 2017 on conversion of CCPS for which listing approval from BSE was obtained on 30th May, 2017. However, said equity shares are not yet credited to Beneficiary account of said allottee as the beneficiary has not provided beneficiary account details to the company.			
<b>Reconciliation of Shares</b>	<b>2018-19</b>	<b>2017-18</b>	
Opening Equity Shares	1,99,58,236	1,80,46,167	
Add: Shares Issued during the year	-	19,12,069	
Closing Equity Shares	1,99,58,236	1,99,58,236	
			<b>199,582,360</b>
<b>Details of Shares Issued for Consideration Other than Cash:-</b>			<b>199,582,360</b>
91,00,000 Equity shares of Rs. 10/- were issued on 09th November, 2011 to the shareholders of erstwhile ACP Limited in consideration for the merger with the company as per the order of AP High Court dated 14th August, 2011.		-	-
<b>Total</b>		<b>199,582,360</b>	<b>199,582,360</b>

Rights, Preferences and Restrictions attached to Shares:

**Equity Shares**

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each Shareholder is eligible for one vote per share. The dividend proposed if any by the Board of Directors is subject to the approval of shareholders, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

Notes Forming Integral Part of the Standalone Balance Sheet as at 31st March, 2019

<b>Note : 14 Other Equity</b>		<b>Amount in Rs.</b>	
	<b>Particulars</b>	<b>As At 31st March, 2019</b>	<b>As At 31st March, 2018</b>
	<b>0.001% Compulsorily Convertible Preference Shares of 10 each</b>		
	Balance as per last balance sheet	-	24,259,380
	Add/ Less - Issue , allotment and conversion	-	(24,259,380)
	Balance at the end of the year	-	-
	<b>Securities Premium</b>		
	Opening balance	137,334,650	132,195,975
	Add : Premium on issue of Equity Shares during the year	-	58,509,311
	Less : Premium on conversion of CCPS issued	-	(53,370,636)
		<b>137,334,650</b>	<b>137,334,650</b>
	<b>Other Reserves</b>		
	General Reserve	5,000,000	5,000,000
		5,000,000	5,000,000
	<b>Surplus / (Deficit) in Statement of Profit and Loss</b>		
	Balance at the beginning of the year	97,993,086	66,929,505
	Less: Dividend Paid	3,077,560	9,980,000
	Less: Dividend Distribution Tax	14,968,677	2,031,514
	Add: Profit / (Loss) for the year	80,649,722	43,075,096
	Add / Less Fair value difference in Financial Instruments	-	-
	Add / less deferred tax adjustments	-	-
		<b>160,596,572</b>	<b>97,993,086</b>
	<b>Total</b>	<b>302,931,222</b>	<b>240,327,736</b>

<b>Note : 15 Borrowings (Non-Current)</b>		<b>Amount in Rs.</b>	
	<b>Particulars</b>	<b>As At 31st March, 2019</b>	<b>As At 31st March, 2018</b>
	<b>Secured Loans</b>		
	- From Banks		
	Vehicle Loans	1,383,116	1,000,218
	Less: Current Maturities of Long term Debt	(353,658)	(924,829)
	Term Loan	14,622,242	18,979,922
	Less: Current Maturities of Long term Debt	(4,837,911)	(4,357,680)
		<b>10,813,788</b>	<b>14,697,632</b>
	- From Others		
	Vehicle Loans	2,873,762	3,330,811
	Less: Current Maturities of Long term Debt	(2,873,762)	(529,959)
		-	<b>2,800,852</b>
	<b>Total Secured Loans</b>	<b>10,813,788</b>	<b>17,498,484</b>
	<b>Unsecured Loans</b>		
	- From Others	15,142,419	17,912,512
	Less: Current Maturities of Long term Debt	(2,672,288)	(4,223,079)
	<b>Total Unsecured Loans</b>	<b>12,470,131</b>	<b>13,689,433</b>
	<b>Total</b>	<b>23,283,919</b>	<b>31,187,917</b>

Notes:

Secured Loans

Loan From Banks and Others

- 1 Secured by the hypothecation of vehicles
- 2 Loan amount is repayable within 2 years and 5 years

Notes Forming Integral Part of the Standalone Balance Sheet as at 31st March, 2019

<b>Note : 16 Provisions(Non-Current)</b>		<b>Amount in Rs.</b>	
	<b>Particulars</b>	<b>As At 31st March, 2019</b>	<b>As At 31st March, 2018</b>
	<b>Provision for Employee Benefit</b>		
	Gratuity	5,713,049	5,096,239
	Compensated Absences	1,539,076	1,806,138
	<b>Total</b>	<b>7,252,125</b>	<b>6,902,377</b>

<b>Note : 17 Borrowings (Current)</b>		<b>Amount in Rs.</b>	
	<b>Particulars</b>	<b>As At 31st March, 2019</b>	<b>As At 31st March, 2018</b>
	<b>Secured Loans - Refer Note</b>		
	Cash Credit facility from a Bank	79,289,427	177,824,503
	Credit Card Facility	13,149	2,393,180
	<b>Unsecured</b>		
	Loan from a Related Party	5,232,545	1,012,928
	<b>Total</b>	<b>84,535,121</b>	<b>181,230,611</b>

**Note**

1. Secured by hypothecation of Bookdebts, lien on fixed deposits and
2. Personal guarantees of Directors of the Company and collateral security of land owned by Director of the company.

<b>Note : 18 Trade Payables</b>		<b>Amount in Rs.</b>	
	<b>Particulars</b>	<b>As At 31st March, 2019</b>	<b>As At 31st March, 2018</b>
	Trade Payables other than Acceptances:		
	Dues to micro enterprises and small enterprises	-	-
	Others	645,660,676	182,148,008
	<b>Total</b>	<b>645,660,676</b>	<b>182,148,008</b>

<b>Note : 19 Other Financial Liabilities (Current)</b>		<b>Amount in Rs.</b>	
	<b>Particulars</b>	<b>As At 31st March, 2019</b>	<b>As At 31st March, 2018</b>
	Current Maturities of Long Term Debt	10,737,620	10,035,547
	Other Advances	16,868,316	20,418,129
	Payable to Employees	29,130,583	18,839,470
	<b>Total</b>	<b>56,736,519</b>	<b>49,293,146</b>

<b>Note : 20 Other Current Liabilities</b>		<b>Amount in Rs.</b>	
	<b>Particulars</b>	<b>As At 31st March, 2019</b>	<b>As At 31st March, 2018</b>
	Advance From Customers	662,481	867,827
	Provision for Expenses	10,889,991	32,987,441
	Statutory Liabilities	75,146,154	108,701,263
	Provision for Interest on Statutory Liabilities	32,183,626	21,597,900
	Dividend Payable (including Dividend Distribution Tax)	6,725,668	1,343,614
	Security Deposits	56,925,969	35,500,000
	<b>Total</b>	<b>182,533,889</b>	<b>200,998,045</b>

<b>Note : 21 Provisions (Current)</b>		<b>Amount in Rs.</b>	
	<b>Particulars</b>	<b>As At 31st March, 2019</b>	<b>As At 31st March, 2018</b>
	Gratuity	386,174	439,107
	Compensated Absences	371,312	494,737
	<b>Total</b>	<b>757,486</b>	<b>933,844</b>

**Notes Forming Integral Part of the Standalone Statement of Profit And Loss for the year ended 31st March, 2019**

<b>Note : 22 Revenue from Operations</b>		<b>Amount in Rs.</b>	
<b>Sr. No</b>	<b>Particulars</b>	<b>Year Ended 31-03-2019</b>	<b>Year Ended 31-03-2018</b>
	<b>Export Sales</b> Projects - Consultancy Services Projects - Off Shore License-Resale(Exports) Referral Fees	257,329,795 6,153,441 114,931 2,870,170	131,430,917 50,008,502 943,609 6,617,168
		<b>266,468,337</b>	<b>189,000,195</b>
	<b>Domestic Sales</b> Consultancy Services Projects - Offsite Projects - Onsite Consultancy Services Sale of Licences & Others (including devices)	53,395,752 203,095,379 87,684,383 552,240,609	54,297,310 527,597,756 182,992,438 191,063,205
		<b>896,416,123</b>	<b>955,950,709</b>
	<b>Total</b>	<b>1,162,884,460</b>	<b>1,144,950,904</b>

<b>Note : 23 Other Income</b>		<b>Amount in Rs.</b>	
<b>Sr. No</b>	<b>Particulars</b>	<b>Year Ended 31-03-2019</b>	<b>Year Ended 31-03-2018</b>
	Interest on Fixed Deposits with Bank Misc. Income Interest on Income Tax Refund Exchange Fluctuation Profit on sale of land	2,759,946 84,001 1,133,866 17,885,348 4,616,103	1,006,469 - 1,288,643 - -
	<b>Total</b>	<b>26,479,264</b>	<b>2,295,112</b>

**Notes Forming Integral Part of the Standalone Statement of Profit And Loss for the year ended 31st March, 2019**

<b>Note : 24 Work Execution Expenses</b>		<b>Amount in Rs.</b>	
<b>Sr. No</b>	<b>Particulars</b>	<b>Year Ended 31-03-2019</b>	<b>Year Ended 31-03-2018</b>
	Cost of SF / CRM Licenses / Others - (Resale / Own Use) Software - Technical Fee	517,818,760 276,101,220	192,958,810 593,461,081
	<b>Total</b>	<b>793,919,980</b>	<b>786,419,891</b>

<b>Note : 25 Employee Benefit Expenses</b>		<b>Amount in Rs.</b>	
<b>Sr. No</b>	<b>Particulars</b>	<b>Year Ended 31-03-2019</b>	<b>Year Ended 31-03-2018</b>
	Salaries and Allowances Directors Remuneration Contribution to Provident Fund & others Staff Welfare	97,204,013 5,797,908 7,619,169 5,010,670	140,495,970 5,797,908 9,714,632 4,249,635
	<b>Total</b>	<b>115,631,760</b>	<b>160,258,145</b>

<b>Note : 26 Finance Costs</b>		<b>Amount in Rs.</b>	
<b>Sr. No</b>	<b>Particulars</b>	<b>Year Ended 31-03-2019</b>	<b>Year Ended 31-03-2018</b>
	Interest on Term Loans Interest on Vehicle Loans Interest on Cash Credit from Bank Bank & Other Finance Charges Interest on Delayed Payment of Statutory Dues	1,787,136 408,290 10,974,119 6,064,615 15,837,701	516,126 608,496 9,829,101 4,190,006 5,668,080
	<b>Total</b>	<b>35,071,862</b>	<b>20,811,809</b>

<b>Note : 27 Other Expenses</b>		<b>Amount in Rs.</b>	
<b>Sr. No</b>	<b>Particulars</b>	<b>Year Ended 31-03-2019</b>	<b>Year Ended 31-03-2018</b>
	Director's Sitting Fee Insurance Printing & Stationery Rent, Rates & Taxes Communication Expenses Travelling Expenses Business Promotion Expenses Electricity & Water Charges Professional & Consultancy Charges Remuneration to Auditors Recruitment & Training Expenses Repairs & Maintenance Foreign Exchange Variation Loss Change in Fair Value (P&L) Written offs Miscellaneous Expenses	103,000 1,550,403 166,621 15,922,238 6,046,054 7,622,405 668,982 3,313,288 11,782,640 550,000 710,674 5,571,013 - 227,000 1,200,000 4,856,105	167,000 257,646 246,367 14,120,712 4,759,447 10,984,723 1,958,476 3,368,546 6,295,056 550,000 674,975 7,527,245 468,282 274,000 22,699 4,359,566
	<b>Total</b>	<b>60,290,421</b>	<b>56,034,741</b>

**Notes Forming Integral Part of the Standalone Statement of Profit And Loss for the year ended 31st March, 2019**

**Note: 28**

**Income Taxes**

Sl. No.	Particulars	Year Ended 31-03-2019	Year Ended 31-03-2018
<b>(i)</b>	<b>Profit or Loss section</b>		
	Current tax	34,365,149	22,866,085
	(Less):- Mat Credit / Reversal	-	-
	Taxes of Earlier Years	3,072,739	-
	Deferred tax	7,180,579	(1,367,709)
	<b>Total income tax expense recognised in Statement of Profit &amp; Loss</b>	<b>44,618,468</b>	<b>21,498,377</b>
<b>(ii)</b>	<b>OCI Section</b>		
	Remeasurements of post employment benefit	76,131	37,515
	<b>Income tax charged to OCI</b>	<b>76,131</b>	<b>37,515</b>

**Notes attached to and forming part of Standalone Financial Statements for the year ended March 31, 2019**

**Note: 29**

**Earnings per Share:**

The following is computation of earnings per share and a reconciliation of the equity shares used in the computation of basic and diluted earnings per equity share.

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Earnings for calculating the Earnings per share (Rs.)	80,649,722	43,075,096
Earnings for calculating Diluted Earnings per share (Rs.)	80,649,722	43,075,096
Weighted average number of equity shares ( For Basic EPS)	19,958,236	19,827,272
Weighted average number of equity shares ( For Diluted EPS)	19,958,236	19,827,272
Basic Earning per share	4.04	2.17
Diluted Earning per share	4.04	2.17

**Note: 30**

Balances of Trade Receivables, Trade Payables, Loans & Advances are subject to confirmation and reconciliations, if any.

**Note: 31**

**Segment Reporting**

Based on the internal reporting provided to the Chief Operating Decision Maker, the standalone financial results relates to "Software and related products" as the only reportable primary segment of the Company.

**Note: 32**

**Contingent Liabilities and Commitments**

Particulars	As at 31-03-2019	As at 31-03-2018
	Rs.	Rs.
Bank Guarantees	70,412,250	71,024,694
<b>Total</b>	<b>70,412,250</b>	<b>71,024,694</b>

**Note: 33**

**Earnings in Foreign Exchange**

Particulars	For the year ended 31-03-2019	For the year ended 31-03-2018
	Rs.	Rs.
FOB Value of Exports (Services)	266,468,337	189,000,195
<b>Total</b>	<b>266,468,337</b>	<b>189,000,195</b>

**Note: 34**

**Expenditure in Foreign Exchange**

Particulars	For the year ended 31-03-2019	For the year ended 31-03-2018
	Rs.	Rs.
Purchase of Licences	8,411,193	15,438,046
Travelling, Conveyance & Other Expenditure	3,300,140	4,517,202
<b>Total</b>	<b>11,711,333</b>	<b>19,955,248</b>

**Note: 35**

**Payments to Auditors**

Particulars	2018-19	2017-18
Statutory Audit Fee	500,000	500,000
Audit Fee for Consolidation of Accounts	50,000	50,000
Certification Fee	6,000	26,000
Out of pocket expenses reimbursed	-	25,000
<b>Total</b>	<b>556,000</b>	<b>601,000</b>

(Net of Tax)

**Note: 36**

**Employee Benefits**

(i) **Defined benefit plans**

The Company provides for gratuity, a defined benefit plan to its employees. The gratuity plan provides a lump sum payment to eligible employees at retirement or termination of employment based on the respective employees last drawn salary and years of employment with the Company as governed by the Payment of Gratuity Act, 1972.

A. Change in Defined Benefit Obligation

	As at	
	31-Mar-19	31-Mar-18
<b>Defined benefit obligation at the beginning of the year</b>	5,535,346	4,440,055
Current service cost	1,183,293	1,206,659
Interest Cost	456,111	288,904
Loss / (gain) on settlements	-	-
Benefit Payments from Employer	(1,734,301)	(1,657,515)
Remeasurements - Due to Demographic Assumptions	(160,758)	
Remeasurements - Due to Financial Assumptions	724,127	(514,349)
Remeasurements - Due to Experience Adjustments	95,405	1,771,592
<b>Projected benefit obligation at the end of the year</b>	<b>6,099,223</b>	<b>5,535,346</b>

B. Change in Fair Value of Plan Assets

**Fair Value of Plan Assets at the beginning year**

Employer Direct Benefit Payments	1,734,301	1,657,515
Benefit Payments from Employer	(1,734,301)	(1,657,515)
<b>Fair Value of Plan Assets at the end of the year</b>	<b>-</b>	<b>-</b>

#### C. Components of Defined Benefit Cost

Current service cost	1,183,293	1,206,659
Interest cost	456,111	288,904
Reimbursement of Other Long Term Benefits	-	-
<b>Defined Benefit Cost included in P &amp; L</b>	<b>1,639,404</b>	<b>1,495,563</b>
Remeasurements - Due to Demographic Assumptions	(160,758)	-
Remeasurements - Due to Financial Assumptions	724,127	(514,349)
Remeasurements - Due to Experience Adjustments	95,405	1,771,592
<b>Total Remeasurements in OCI</b>	<b>658,774</b>	<b>1,257,243</b>
<b>Total Defined Benefit Cost recognized in P&amp;L and OCI</b>	<b>2,298,178</b>	<b>2,752,806</b>

#### D. Amounts recognized in the balance sheet

Defined Benefit Obligation	6,099,223	5,535,346
Fair Value of Plan Assets	-	-
<b>Funded Status</b>	<b>6,099,223</b>	<b>5,535,346</b>
Effect of Asset Ceiling / Onerous Liability	-	-
<b>Net Defined Benefit Liability / (Asset)</b>	<b>6,099,223</b>	<b>5,535,346</b>
<b>Short term liability in the above</b>	<b>386,174</b>	<b>439,107</b>

#### **Assumptions**

Discount rate	7.90%	8.00%
Expected rate of salary increases	5.00%	4.00%
Employee attrition rate	5.75%	7.12%

- (ii) In respect of Defined contribution plan (Provident Fund), an amount of Rs.5,185,648 (31 March 2018: Rs.7,120,240) has been recognised in the Statement of Profit and Loss.

#### Note: 37

The Company has taken various premises under cancellable operating lease agreements. Company intends to renew such leases in the normal course of business. Total rental expenses under cancellable operating leases amounted to Rs.10,825,809 (previous year: Rs. 11,846,377). The same are grouped under Rent in other expenses in the Statement of Profit and Loss. The Company has no non-cancellable operating leases during the year ended 31 March 2019.

## Notes attached to and forming part of Standalone Financial Statements for the year ended March 31, 2019

### Note: 38

#### Financial instruments

##### i. Capital Management

The Company manages its capital to ensure that the Company will be able to continue as going concern while maximising the return to stakeholders through optimisation of debt and equity balance. The capital structure of the Company consists of net debt and total equity of the Company. The Company is not subject to any externally imposed capital requirements.

Gearing ratio:

The gearing ratio at the end of the reporting period was as follows

Particulars	As at March 31, 2019	As at March 31, 2018
Interest-bearing loans and borrowings	118,556,660	222,454,075
Less: cash and cash equivalents	34,236,654	30,569,024
<b>Underlying net debt</b>	<b>A</b>	<b>191,885,050</b>
Total equity	B	439,910,096
<b>Equity and underlying net debt</b>	<b>C=[A+B]</b>	<b>631,795,146</b>
<b>Gearing ratio</b>	<b>D=[A/C]</b>	<b>30.37%</b>

##### Interest bearing loan and borrowings

Non-Current			
Secured Loans			
- From Banks		16,005,358	19,980,140
- From Others		2,873,762	3,330,811
Unsecured Loans		-	-
- From Related Parties		15,142,419	17,912,512
- From Others			
<b>Current</b>			
Secured Loans			
- Cash Credit facility from a Bank		79,302,576	180,217,683
Unsecured			
- Loan from a Related Party		5,232,545	1,012,928
- From Others			
		<b>118,556,660</b>	<b>222,454,075</b>

##### ii. Category of Financial Instruments

Particulars	March 31, 2019		March 31, 2018	
	FVTPL	Amortised cost	FVTPL	Amortised cost
<b>Financial assets</b>				
<b>Non Current Financial Assets</b>				
Investments	499,000	72,349,710	726,000	72,349,710
<b>Current Financial Assets</b>				
Trade Receivables		1,061,154,417		577,211,026
Cash and cash equivalents		34,236,654		30,569,024
Short-term loans and advances		46,488,239		40,084,267
Others		7,475,175		13,620,295
<b>Total financial assets</b>	<b>499,000</b>	<b>1,221,704,195</b>	<b>726,000</b>	<b>733,834,322</b>
<b>Financial Liabilities</b>				
<b>Non Current Financial liabilities</b>				
Borrowings	34,021,539		41,223,464	
<b>Current Financial liabilities</b>				
Borrowings		5,232,545		1,012,928
Trade payables		645,660,676		182,148,008
Other financial liabilities		45,998,899		39,257,599
<b>Total financial liabilities</b>	<b>113,324,115</b>	<b>696,892,120</b>	<b>221,441,146</b>	<b>222,418,535</b>

### iii. Financial risk management

The Company's finance department monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyse the exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Company's Corporate Treasury function reports quarterly to the Company's Board of Directors that monitors risks and policies implemented to mitigate risk exposures.

### iv. Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Company's credit risk arises principally from the trade receivables, loans, cash and cash equivalents and other financial assets.

#### *Trade receivables*

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. The customer's credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue trade receivables. The Company establishes an allowance for impairment that represents its estimate of expected losses in respect of trade and other receivables.

#### *Cash and bank balances*

The credit risk on liquid funds and other bank deposits is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

#### *Loans*

The Company's corporate treasury function manages the financial risks related to the business. The treasury function focuses on capital protection, liquidity and yield maximisation.

Loans are extended to counterparties after assessing their financial capabilities. Counterparty credit limits are reviewed and approved by Board/Audit Committee of the Company. These limits are set to minimise the concentration of risks and therefore mitigates the financial loss through counterparty's potential failure to make payments. Expected credit losses are provided based on the credit risk of the counterparties.

#### *Deposits and advances*

The Company's Corporate treasury function manages the financial risks related to the business. The Treasury function focuses on capital protection, liquidity and yield maximisation. Deposits and Advances are extended to counterparties after assessing their financial capabilities. Counterparty credit limits are reviewed and approved by Board/Audit Committee of the Company. These limits are set to minimise the concentration of risks and therefore mitigates the financial loss through counterparty's potential failure to make payments.

### v. Liquidity risk management

Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. Ultimate responsibility for liquidity risk management rests with the board of directors. The Company manages liquidity risk by maintaining reserves and banking facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following tables detail the Company's remaining contractual maturity for its financial liabilities with agreed repayment periods and its financial assets. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows.

(Rs in lakhs)

Particulars	As at March 31, 2019				As at March 31, 2018			
	< 1 year	1-5 years	> 5 years	Total	< 1 year	1-5 years	> 5 years	Total
<b>Financial assets</b>								
(i) Trade receivables	10,611.54	-	-	10,611.54	5,772.11	-	-	5,772.11
(ii) Cash and cash equivalents	37.74	-	-	37.74	26.70	-	-	26.70
(iii) Bank balances other than (ii) above	304.63	-	-	304.63	278.99	-	-	278.99
(iv) Loans and advances	464.88	-	-	464.88	400.84	-	-	400.84
(v) Other Financial Assets	74.75	-	-	74.75	136.20	-	-	136.20
<b>Total financial assets</b>	<b>11,493.54</b>	-	-	<b>11,493.54</b>	<b>6,614.85</b>	-	-	<b>6,614.85</b>
<b>Financial liabilities</b>								
<b>Non-Current</b>								
(i) Borrowings	107.38	232.84	-	340.22	100.36	311.88	-	412.23
<b>Current</b>								
(i) Borrowings	845.35	-	-	845.35	1,812.31	-	-	1,812.31
(ii) Trade Payables	6,456.61	-	-	6,456.61	1,821.48	-	-	1,821.48
(iii) Other Financial Liabilities	459.99	-	-	459.99	392.58	-	-	392.58
<b>Total financial liabilities</b>	<b>7,869.32</b>	<b>232.84</b>	-	<b>8,102.16</b>	<b>4,126.72</b>	<b>311.88</b>	-	<b>4,438.60</b>

## vi. Foreign exchange risk

The company's exchange risk arises from its foreign currency revenues and expenses.  
(primarily in US Dollars, Singapore Dollars and Euros)

Particulars	Foreign Currency	As at 31-03-2019	As at 31-03-2018
Trade Receivables	USD	5,024,374	2,789,680
	(In Rs.)	350,600,830	179,906,480
	SGD	460,679	460,677
	(In Rs.)	23,255,081	22,637,660
	EURO	4,022	4,058
	(In Rs.)	308,431	323,869
Advances from Trade Receivables	USD	266	126
	(In Rs.)	18,550	8,121
Trade Payables	USD	249,619	250,829
	(In Rs.)	17,418,415	16,175,945

## Note: 39

### **Corporate Social Responsibility**

The company is in the process of constituting a Corporate Social Responsibility (CSR) committee and the Board shall start the spending on the CSR activities upon receiving the recommendations from the committee on the policy, amount of expenditure to be incurred on various activities and the process of monitoring the same.

## **Notes attached to and forming part of Standalone Financial Statements for the year ended March 31, 2019**

### Note: 40

#### **Related Party Disclosures**

Subsidiary Company	: Bodhtree Human Capital Pvt Limited
Associate Company	: Pressmart Media Limited Learnsmart (India) Private Limited
Key Management Personnel	: Mr. L.N.Ramakrishna, Managing Director Mr. K. Prabhakar Rao, Chief Financial Officer Mr. K. Srikanth Reddy, Company Secretary Mr. Varsha Gupta, Company Secretary
Enterprises controlled or significantly influenced by individual / relatives:	: Kepler Information Systems Pvt Ltd Sreeven Infocom Ltd Skyline Ventures India Ltd Bodhtree Solutions Inc (Holding Company Upto 29/05/2016) Bodhtree Solutions Pte Limited (Fellow Subsidiary Upto 29/05/2016)

## Transactions with Related Parties

Particulars	2018-19	2017-18
	Rs.	Rs.
<b>Sales/Rendering Services</b>		
- Bodhtree Consulting LLC	158,347,051	116,708,973
- Bodhtree Solutions Inc	-	2,590,980
- Kepler Information Systems Pvt Ltd	70,744,144	
- Skyline Ventures India Ltd	156,064	-
- Bodhtree Solutions PTE Ltd.	-	15,344,916
<b>Purchases/Availing Services</b>		
- Kepler Information Systems Pvt Ltd	41,904,000	29,160,000
- Sreeven Infocom Ltd	8,500,000	-
<b>Remuneration to Key Managerial Persons</b>		
- L.N. Ramakrishna - Managing Director	5,797,908	5,797,908
- K. Prabhakar Rao - Chief Financial Officer	1,965,384	1,738,000
- K. Srikanth Reddy - Company Secretary	365,736	756,696
- Varsha Gupta- Company Secretary	369,090	-
<b>Loans Received / (Repaid)</b>		
- Kepler Information Systems Pvt Ltd	(57,383)	(27,411,310)
<b>Advances Given</b>		
- Bodhtree Human Capital Private Limited	1,208,135	18,000
<b>Director Sitting Fees</b>		
- Sanjiv Gupta	16,000	34,000
- Muninder Raja Arram	4,000	-
- L Muneashwari	18,000	37,000
<b>Balances outstanding at the end of the year</b>		
<b>Debit Balances</b>	267,832,427	75,715,048
<b>Credit Balances</b>	5,232,545	1,012,928
<b>Investments</b>	72,249,710	72,249,710

### Note: 41

Previous year figures have been regrouped / re arranged / re-classified wherever considered necessary to conform to the classification/disclosure of the current year.

As per our attached report of even date

**For N K R & CO**  
**Chartered Accountants**  
**Firm Reg. No: 127820W**

**T.N.V.Visweswara Rao**  
**Partner**  
**M.No. 204084**

**For Bodhtree Consulting Limited**  
**CIN: L74140TG1982PLC040516**

**L. N.Ramakrishna**  
**Managing Director**  
**DIN: 03623543**

**K. Rajesh**  
**Director**  
**DIN: 02727491**

Place: Hyderabad  
Date: 30/05/2019

**K. Prabhakar Rao**  
**Vice-President- Finance**

**Varsha Gupta**  
**Company Secretary**

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

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(l) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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**

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

**As required by Section 143(3) of the Act, we report that:**

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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, (the Statement of Changes in Equity) and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A**".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements if any.
  - 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.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Place : Hyderabad  
Date : 30-05-2019

**For N K R & CO**  
*Chartered Accountants*  
(Firm's Registration No. 127820W)  
T.N.V.Visweswara Rao  
Partner  
(Membership No.204084)

**ANNEXURE to the Auditor's Report**

**The annexure referred to in Independent Auditor's Report to the members of the Company on the standalone financial statements for the year ended March 31, 2019, we report that:**

- (I) (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The fixed assets have been physically verified by the management at reasonable intervals; and no material discrepancies were noticed on such verification and material discrepancies noticed on such verification have been properly dealt with in the books of account;
- (c) Since the company does not own any immovable properties Clause (i)(c) is not applicable to the Company.
- (ii) Since the company does not have inventory Clause (ii) of the Order is not applicable to the Company.
- (iii) Based on the audit procedures applied by us and according to the information and explanations provided by the management, the company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act 2013.
- (iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
- (v) The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2019 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- (vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.
- (vii) (a) According to the records of the company, the company is regular in depositing the undisputed statutory dues of Employee State Insurance and Professional Tax, however, the company has not deposited undisputed statutory dues of provident fund, income-tax, service tax, Goods and Services Tax, value added tax and central sales tax with the appropriate authorities. The arrears of statutory dues as at March 31, 2019 for a period of more than six months from the date they became payable are as under.

<b>S.No</b>	<b>Nature of Due</b>	<b>Amount in Rs.</b>
1	Income Tax	41,879,967
2.	Provident Fund	10,675,656

- (b) According to the records of the company, there are no dues of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess which have not been deposited on account of dispute.
- (viii) According to the records of the company, the company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.
- (ix) According to the record of the company, during the year the company has not raised funds by way of public offering or term loans and hence reporting under Clause (ix) of the order is not applicable to the company.
- (x) Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit.
- (xi) Based upon the audit procedures performed and the information and explanations given by the

management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;

(xii) The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is applicable to the Company.

(xiii) In our opinion, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

(xiv) During the year under review the company has not made preferential allotment or private placement of Shares or fully or partly paid convertible debentures and hence reporting under clause (xiv) of the order is not applicable to the company.

(xv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected to directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) The company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.

**For N K R & CO**  
Chartered Accountants  
(Firm Registration No. 127820 W)

Place: Hyderabad  
Rao Date: 30/05/2019

T.N.V.Visweswara  
Partner (Membership No. 204084)

#### **ANNEXURE B to the Auditor's Report**

Report on the Internal Financial controls under clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **BODHTREE CONSULTING LIMITED** ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

**Auditor's Responsibility**

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

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

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

**Opinion**

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

**For N K R & CO**  
Chartered Accountants  
(Firm Registration No. 127820 W)

Place: Hyderabad  
Date: 30/05/2019

T.N.V.Visweswara Rao  
Partner (Membership No. 204084)

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BODHTREE CONSULTING LIMITED****Report on the Audit of the Consolidated Financial Statements****Opinion**

We have audited the accompanying consolidated financial statements of **Bodhtree Consulting Limited** (hereinafter referred to as the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated Balance Sheet as at March 31, 2019, and the consolidated statement of Profit and Loss, (the consolidated statement of changes in equity) and the consolidated cash flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at March 31, 2019, of consolidated profit/loss, (consolidated changes in equity) and its consolidated cash flows for the year then ended.

**Basis for Opinion**

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

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

<b>The key audit matters</b>	<b>How the matters was addressed in our audit</b>
<b>Revenue Recognition</b>	
<p>The Company has different streams of revenue generation from Information Technology related Services. The application of the new revenue accounting standard involves certain key judgments relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognised over a period. Due to the large variety and complexity of contractual terms, significant judgments are required to estimate the amount applied. If the actual amount differs from the amount applied or estimated amount, this will have an impact on the accuracy of the revenue recognised in the current period. The agreements may involve onerous obligations on the Company that require estimates to be made by the management; and Ensuring reconciliations for the revenue recognized There is inherent risk of accuracy for the revenue to be realized as per the agreed calculation as per the agreement and the involvement of IT systems.</p>	<p>Our audit procedures on revenue recognized from the programs</p> <p>Obtaining an understanding of the systems, processes and controls implemented by management for recording and calculating revenue and the associated agreements, unearned and unbilled revenue.</p> <p>On selected samples, we tested that the revenue recognized is in accordance with the accounting standard by Evaluating the identification of performance obligations.</p> <p>Evaluating a detailed analysis performed by the management on revenue streams by selecting samples for the existing contracts with customers and considered revenue recognition policy in the current period in respect of those revenue streams</p> <p>For fixed price contracts, verified the measurement of revenue for the extent of delivery of performance obligations with the actual and estimated cost of efforts as per the time recording system and budgets.</p>

**Information Other than the Consolidated Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

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

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and describe actions applicable in the applicable laws and regulations.

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

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

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

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

#### **Other Matters**

**The company is holding investments in Associate companies. The financial statements for these companies for the financial years 2017-18 & 2018-19 are not made available, hence the consolidation of these companies are not considered while preparing the consolidated financial statements Our opinion is not modified in respect of the above matter.**

**Report on Other Legal and Regulatory Requirements**

As required by Section 143(3) of the Act, we report, to the extent applicable, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, (the consolidated Statement of Changes in Equity) and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies, incorporated in India is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in **Annexure**.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements if any.

ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies, incorporated in India.

**For N K R & CO**  
Chartered Accountants  
(Firm Registration No. 127820 W)

Place: Hyderabad  
Date: 30/05/2019

T.N.V.Visweswara Rao  
Partner (Membership No. 204084)

**ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT (Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Bodhtree Consulting Limited 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")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of **Bodhtree Consulting Limited** (hereinafter referred to as "Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

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

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

**Auditor's Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company and its subsidiary companies internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are

being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

#### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company and its subsidiary 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 N K R & CO**  
Chartered Accountants  
(Firm Registration No. 127820 W)

Place: Hyderabad  
Date: 30/05/2019

T.N.V.Visweswara Rao  
Partner (Membership No. 204084)

**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2019**

Particulars	Note No.	Amount in Rs.	
		As At 31st March, 2019	As At 31st March, 2018
<b>I. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Property, Plant and Equipment	4	38,604,813	51,022,437
(b) Intangible Assets		142,355,168	98,208,205
(c) Intangible Asset Under Development		15,076,858	87,141,588
(d) Financial Assets		<b>196,036,839</b>	<b>236,372,230</b>
(i) Investments	5	72,748,710	72,975,710
(e) Deferred Tax Asset	6	3,520,935	10,625,383
		<b>272,306,484</b>	<b>319,973,323</b>
<b>(2) Current Assets</b>			
(a) Financial Assets	7	1,061,156,022	577,211,026
(i) Trade receivables		3,788,244	2,775,101
(ii) Cash and cash equivalents	8	30,462,623	27,898,924
(iii) Bank balances other than (ii) above		45,260,041	40,064,204
(iv) Loans and advances	9	7,475,175	13,620,295
(v) Other Financial Assets	10	15,760,518	65,253,398
(b) Current Tax Assets (Net)	11	65,751,829	45,792,711
(c) Other Current Assets	12		
		<b>1,229,654,452</b>	<b>772,615,659</b>
<b>Total Assets</b>		<b>1,501,960,935</b>	<b>1,092,588,981</b>
<b>II. EQUITY AND LIABILITIES:-</b>			
<b>EQUITY</b>			
(a) Equity Share Capital	13	199,582,360	199,582,360
(b) Other Equity	14	299,914,096	240,192,629
		<b>499,496,456</b>	<b>439,774,989</b>
<b>LIABILITIES</b>			
<b>(1) Non-Current Liabilities</b>			
(a) Financial Liabilities	15	23,283,919	31,187,917
(i) Borrowings	16	7,278,464	6,902,377
(b) Provisions		<b>30,562,383</b>	<b>38,090,294</b>
<b>(2) Current Liabilities</b>			
(a) Financial Liabilities	17	84,535,121	181,230,611
(i) Borrowings	18	645,829,721	182,268,053
(ii) Trade Payables	19	57,630,444	49,293,146
(iii) Other Financial Liabilities	20	183,149,244	200,998,045
(b) Other Current Liabilities	21	757,566	933,844
(c) Provisions		<b>971,902,096</b>	<b>614,723,699</b>
<b>Total Equity &amp; Liabilities</b>		<b>1,501,960,935</b>	<b>1,092,588,981</b>
<i>Significant Accounting Policies</i>	2-3		
<i>The Notes referred to above and Statement on Significant Accounting Policies form an integral part of the Financial Statements.</i>			
As per our attached report of even date			
<b>For N K R &amp; CO</b> <b>Chartered Accountants</b> Firm Reg. No: 127820W		<b>For Bodhtree Consulting Limited</b> CIN: L74140TG1982PLC040516	
<b>T.N.V.Visweswara Rao</b> Partner M.No. 204084		<b>L. N.Ramakrishna</b> Managing Director DIN: 03623543	<b>K. Rajesh</b> Director DIN: 02727491
Place: Hyderabad Date: 30/05/2019		<b>K. Prabhakar Rao</b> Vice-President- Finance	<b>Varsha Gupta</b> Company Secretary

**CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2019**

			Amount in Rs.	
	Particulars	Note No.	Year Ended 31st March, 2019	Year Ended 31st March, 2018
<b><u>Income:</u></b>				
Revenue from operations		22	1,163,522,541	1,144,950,904
Other Income		23	26,479,264	2,295,112
	<b>Total Revenue - (A)</b>		<b>1,190,001,805</b>	<b>1,147,246,015</b>
<b><u>Expenses:</u></b>				
Work Execution expenses		24	793,919,980	786,419,891
Employee Benefits Expense		25	119,084,362	160,258,145
Finance Costs		26	35,073,165	20,811,809
Depreciation and Amortization Expense		4	58,598,868	57,928,229
Other Expenses		27	60,356,615	56,087,741
	<b>Total Expenses - (B)</b>		<b>1,067,032,990</b>	<b>1,081,505,815</b>
<b>Profit before exceptional items and tax - (A) -(B)</b>			<b>122,968,815</b>	<b>65,740,200</b>
Exceptional Items			-	-
<b>Profit Before Tax</b>			<b>122,968,815</b>	<b>65,740,200</b>
<b><u>Tax expense:</u></b>				
(a) Current Tax			34,365,149	22,866,085
(b) Taxes of earlier years			3,072,739	-
(c) Deferred Tax - Liability / (Asset)			7,180,579	(1,367,709)
<b>Profit/(Loss) for the Year</b>			<b>78,350,347</b>	<b>44,241,824</b>
<b>Other Comprehensive Income</b>				
<u>A. Items that will not be reclassified to profit or loss</u>				
Remeasurements of post employment benefit			(658,774)	(1,257,243)
Income tax on these item			76,131	37,515
<u>B. Items that will be reclassified to profit or loss</u>			-	-
<b>Total Comprehensive income for the period</b>			<b>77,767,704</b>	<b>43,022,096</b>
Earning per equity share:				
(a) Basic		29	3.90	2.17
(b) Diluted			3.90	2.17
	<b>Significant Accounting Policies</b>	2-3		

*The Notes referred to above and Statement on Significant Accounting Policies form an integral part of the Financial Statements.*

*As per our attached report of even date*

**For N K R & CO**  
**Chartered Accountants**  
**Firm Reg. No: 127820W**

**For Bodhtree Consulting Limited**  
**CIN: L74140TG1982PLC040516**

**T.N.V.Visweswara Rao**  
**Partner**  
**M.No. 204084**

**L. N. Ramakrishna**  
**Managing Director**  
**DIN: 03623543**

**K. Rajesh**  
**Director**  
**DIN: 02727491**

Place: Hyderabad  
Date: 30/05/2019

**K. Prabhakar Rao**  
**Vice-President- Finance**

**Varsha Gupta**  
**Company Secretary**

**Consolidated Statement of Changes in Equity for the year ended March 31, 2019**

**a. Equity Share Capital**

<b>Particulars</b>	<b>Amount In Rs.</b>	
	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
Balance at the beginning of the reporting period	199,582,360	180,461,670
Changes in equity share capital during the year	-	19,120,690
Balance at the end of the reporting period	<b>199,582,360</b>	<b>199,582,360</b>

**b. Other Equity**

**Statement of Changes in Equity**

<b>Particulars</b>	<b>Securities Premium</b>	<b>Other Reserves</b>	<b>Retaining Earnings</b>	<b>Total</b>
<b>Balance as at April 01, 2018</b>	<b>137,334,650</b>	<b>5,000,000</b>	<b>97,857,979</b>	<b>240,192,629</b>
Addition / (deletion ) during the year / Period	-	-		-
Profit / (Loss) for the year	-	-	78,350,347	78,350,347
Other comprehensive income for the year	-	-	(582,643)	(582,643)
Total comprehensive income for the year	-	-	<b>77,767,704</b>	<b>77,767,704</b>
Dividend and Dividend Tax paid	-	-	(18,046,237)	(18,046,237)
<b>Balance as at March 31, 2019</b>	<b>137,334,650</b>	<b>5,000,000</b>	<b>157,579,446</b>	<b>299,914,096</b>

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2019**

**1 Corporate information**

The Consolidated Financial Statements comprise financial statements of Bodhtree Consulting Limited ("the Company") and its subsidiaries (hereinafter collectively referred to as "the Group") for the year ended March 31, 2019. The company is headquartered in India and provides technology consulting services to various companies and SMEs across the globe. The Group is principally engaged in providing Cloud CRM and Analytics and provides a range of services including solution design, development, implementation, integration, maintenance and support for customers in the healthcare & life sciences, hi-tech manufacturing, education and government verticals.

**2 Significant Accounting Policies**

**a. Basis of Preparation:**

The Consolidated financial Statements have been prepared to comply in all material aspects with the Accounting Standards notified under Section 133 of Companies Act, 2013 as per Companies (Indian Accounting Standards (Ind AS) Rules, 2015 and other relevant provisions of the Companies Act, 2013 and rules framed thereunder. Till the year ended 31st March 2017 the financial statement of the Group have been prepared as per Companies (Accounting Standards) Rules, 2006 as amended and other relevant provisions of the Companies Act, 2013 and rules framed thereunder.

The consolidated financial statements are prepared in accordance with the principles and procedures required for the preparation and presentation of consolidated financial statements as laid down under the Ind AS 27 "Consolidated and Separate Financial Statements". The Consolidated financial statements comprise the financial statements of the Company and its subsidiaries. Accounting policies are consistently applied except where a

newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in accounting policy hitherto in use. Where a change in accounting policy is necessitated due to changed circumstances, detailed disclosures to that effect along with the impact of such change is duly disclosed in the consolidated financial statements. The Accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries on line by line basis by adding together like items of assets, liabilities, Income and expenses by using uniform accounting policies. The difference between the cost of investment and the Company's portion of equity in subsidiaries, at the date of Investment, is treated as goodwill or capital reserve as a case may be. The interest of minority shareholders is stated at the minority's proportion of the assets and liabilities recognised.

All significant transactions and balances between the company and subsidiaries are eliminated on consolidation.

**b. Use of estimates:**

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosures relating to contingent liabilities, at the end of the reporting period. Actual results could differ from these estimates and adjustments are recognised in the periods in which the results are known / materialised.

**c. Property Plant and Equipment:**

Property, plant and equipment is stated at cost of acquisition, net of accumulated depreciation and accumulated impairment losses, if any. Property, plant and equipment under installation or under construction as at balance sheet are shown as capital work-in-progress, and the related advances are shown as loans and advances.

Cost of acquisition comprises of all costs incurred to bring the assets to their location and working condition up to the date the assets are put to their intended use. Costs of construction are composed of those costs that relate directly to specific assets and those that are attributable to the construction or project activity in general and can be allocated to specific assets up to the date the assets are put to their intended use.

Depreciation on fixed assets is provided on a straight-line method over their estimated useful lives at the rates as prescribed under Schedule II of the Companies Act, 2013. Depreciation is charged on pro-rata basis from the date of capitalisation. Individual assets costing Rs.5,000 or less are fully depreciated in the year of acquisition.

Amortisation on softwares is provided on a straight-line method over their estimated useful lives of 3 years. Amortisation is charged on pro-rata basis from the date of capitalisation.

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

Expenditure incurred towards development eligible for capitalization are carried as intangible assets under development where such assets are not yet ready for their intended use.

An Intangible asset is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is de-recognised.

**d. Impairment of assets other than financial assets:**

The Group assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset. If such recoverable amount of the asset is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount but limited to the carrying amount that would have been determined (net of depreciation / amortization and depletion) had no impairment loss been recognised in prior accounting periods. A reversal of an impairment loss is recognised immediately in P&L.

**e. Revenue Recognition:**

Revenue recognition depends on the arrangements with the customer which are either on "Time and material" or on a "fixed-price" basis. Revenue from software services performed on a "time and material" basis is recognized as and when services are performed and/or on the basis of man-days/man hours spent as per terms of the contracts.

The Company also performs work under "fixed-price" arrangements, under which revenue is recognized as per the 'percentage-of-completion' method, where the performance obligations are satisfied over time and when there is no uncertainty as to measurement or collectability of consideration. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Percentage of completion is determined based on the project costs incurred to date as a percentage of total estimated project costs required to complete the project. The input method has been used to measure the progress towards completion as there is direct relationship between input and productivity. Provision for estimated losses on such engagements is made in the year in which such loss becomes probable and can be reasonably estimated.

Unbilled revenue represents amounts recognized based on services performed in advance of billings in accordance with contract terms and is net of estimated allowances for uncertainties and provision for estimated losses. Revenues from Annual maintenance contracts are recognised pro-rata over the period of the contract in which the services are rendered. Reimbursement of expenditure is recognised under revenue along with recognition of sale of service to which it relates. Revenue is net of volume discounts/price incentives which are estimated and accounted for based on the terms of the contracts and also net of applicable indirect taxes. Revenue from sale of licenses, hardware and other related items are recognized when the significant risk and rewards of ownership and title of the product is transferred to the buyer which generally coincides with acknowledgement of delivery. The value of the sale is net of taxes. Contract assets: A contract asset is the right to consideration in exchange for services transferred to the customer. If the Group performs by transferring services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional. Trade receivables: A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section Financial instruments. Contract liabilities: A contract liability is the obligation to transfer services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Group performs under the contract. Interest income is recognised on a time proportion basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition. Divided income is recognised on right to receive the payment is established.

**f. Impairment of assets:**

The Group assesses at each balance sheet date whether there is any indication that an asset may be impaired. If

any such indication exists, the Group estimates the recoverable amount of the asset. If such recoverable amount of the asset is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount but limited to the carrying amount that would have been determined (net of depreciation / amortization and depletion) had no impairment loss been recognised in prior accounting periods. A reversal of an impairment loss is recognised immediately in P&L.

**g. Investments:**

- I) Classification :- The Group classifies its financial assets at fair value (either through other comprehensive income, or through profit or loss). The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.
- ii) Measurement:- At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction cost that are directly attributable to the acquisition of the financial asset. Transaction cost of financial assets carried at fair value through profit or loss are expensed in profit or loss.
- iii) Investments in subsidiary / Associate companies are recorded at cost and reviewed for impairment at each reporting date

**h. Foreign currency transactions/translations:**

- I) Functional and Presentation Currency - The Group's financial statements are presented in Indian Rupee (Rs.), which is also the Group's functional and presentation currency
- ii) Transactions in foreign currencies are translated into functional currency using the exchange rate at the date of the transactions. Foreign exchange gains / loss from transaction and translation of monetary items at the end of the year are recognised in statement of profit and loss accounts.
- iii) Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non monetary items measured at fair value in a foreign currency are translated using the exchange rate at the date when the fair value is determined. The gain or loss on translation of non monetary items measured at fair value is recognised in Other comprehensive income or Profit and loss.

**I. Retirement and other Employee benefits:****I. Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

**ii. Other long-term employee benefit obligations**

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss

The Group operates the following post-employment schemes:

- (a) defined benefit plans
- (b) defined contribution plans

**Gratuity obligations**

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The net interest cost and Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised in statement of Profit & Loss account.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income.

They are included in retained earnings in the statement of changes in equity and in the balance sheet.

**Defined contribution plans**

Provident fund contributions are recognised as employee benefit expense when they are due.

**j. Income Tax:**

Tax expense represents the sum of Current Tax and Deferred Tax. Current and deferred tax are recognised as an expense or income in the income statement, except when they relate to items credited or debited directly to equity, in which case the tax is also recognised directly in equity.

I. Current Tax- Current Tax payable by Group is computed in accordance with the applicable tax rates and tax laws.

**ii. Deferred Tax :**

Deferred tax is recognised on all temporary differences between the carrying amount of Assets and Liabilities in the Financial Statements and the corresponding tax bases used in computation of Taxable profit. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset will be realized or the liability will be settled, based on tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and is reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

**k. Cash flow statement:**

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the Group are segregated.

**l. Provisions, contingent liabilities and contingent assets:**

A provision is recognised when there is a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Contingent liabilities are not recognised but disclosed unless the probability of an outflow of resources is remote. Contingent assets are not recognized but disclosed when an inflow of economic benefits is probable.

**m. Borrowing costs:**

Borrowing costs are expensed as incurred and any Borrowing costs attributable to the acquisition or construction of qualifying assets, as defined in Ind AS 23 on “Borrowing Costs” are capitalised as part of the cost of such asset up to the date when the asset is ready for its intended use.

**n. Financial Instruments:**

Financial assets and liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

I. Cash and cash equivalents- The Group considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

ii. Financial assets at amortised cost- Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is 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.

iii. Financial assets at fair value through other comprehensive income (FVTOCI)- Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets.

The Group has made an irrevocable election to present subsequent changes in the fair value of equity investments not held for trading in Other Comprehensive Income.

iv. Financial assets at fair value through profit or loss (FVTPL)- Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

v. Financial liabilities are measured at amortised cost using the effective interest method.

vi. Equity investments other than equity investment in subsidiaries & associates- Investments in equity instruments are classified as at FVTPL, unless the Group irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

vii. Equity instruments- An equity instrument is a contract that evidences residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Group are measured at the proceeds received net of direct issue costs.

viii. Offsetting of financial instruments- Financial assets and financial liabilities are offset and the net amount is reported in financial statements if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

ix. Impairment of Financial assets- The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVTOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

**o. Segment Reporting:**

The Group has only one reportable business segment, which is Software and related products. Accordingly, the amounts appearing in the consolidated financial statements relate to the Group's single business segment.

**p. Earning Per Share:**

The Group presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

### **Changes in accounting policies and disclosures**

#### **New and amended standards**

The Group applied Ind AS 115 for the first time. The nature and effect of the changes as a result of adoption of these new accounting standards are described below.

Several other amendments and interpretations apply for the first time in March 2019, but do not have an impact on the consolidated financial statements of the Group. The Group has not early adopted any standards or amendments that have been issued but are not yet effective.

#### **Ind AS 115 Revenue from Contracts with Customers**

Ind AS 115 was issued on March 28, 2018 and supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue and it applies, with limited exceptions, to all revenue arising from contracts with customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures.

The Group adopted Ind AS 115 using the modified retrospective method of adoption with the date of initial application of April 1, 2018. Under this method, the standard can be applied either to all contracts at the date of initial application or only to contracts that are not completed at this date. The Group elected to apply the standard to all contracts as at April 1, 2018.

Under the modified retrospective approach there were no significant adjustments required to the retained earnings at April 1, 2018. Also, the application of Ind AS 115 did not have any significant impact on recognition and measurement of revenue and related items in the consolidated financial statements.

#### **Appendix B to Ind AS 21 Foreign Currency Transactions and Advance Considerations**

The appendix clarifies the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income when an entity has received or paid advance consideration in foreign currency. This interpretation does not have any significant impact on the Group's financial statements.

#### **Appendix C to Ind AS 12 Uncertainty over Income Tax Treatment**

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12.

The Group is currently evaluating the impact that the adoption of this new standard will have on its consolidated financial statements.

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2019

(Amount in Rs.)

PARTICULARS		2018-19		2017-18
<b>A) CASH FLOW FROM OPERATING ACTIVITIES:</b>				
Profit for the year		77,767,704		43,022,096
<b>Adjustment for:</b>				
Tax Expense	41,469,598		21,460,861	
Fair value difference of financial Instruments	227,000		296,699	
Depreciation	58,598,868		57,928,229	
Finance Costs	35,071,862		20,811,809	
Interest received	(2,759,946)		(2,295,112)	
Provision for Gratuity	3,063,010		3,832,611	
Provision for Leave Encashment	739,077		519,834	
Liabilities no longer required to be paid	-		-	
Payment to Employees no longer required to be paid	-		-	
Advances from Customers no longer required to be paid	-		-	
Unrealised exchange loss / (profit)	(17,885,348)		468,282	
Loss/ (Profit ) on Sale of Asset	(4,616,103)		-	
<b>Operating profit before working capital changes</b>		113,908,018		103,023,214
<b>Adjustment for change in Working Capital</b>		<b>191,675,722</b>		<b>146,045,310</b>
Decrease/(Increase) in Short Term Loans & Advances	(5,195,837)		4,741,527	
Decrease/(Increase) in Other Financial Assets	6,145,120		1,951,172	
Decrease/(Increase) in Trade Receivables	(461,443,545)		(196,112,259)	
Decrease/(Increase) in Other Current Assets	(19,959,118)		46,790,855	
Increase/ (Decrease) in Trade Payables	463,561,668		31,893,750	
Increase/ (Decrease) in Other Financial Liabilities	7,635,225		16,001,165	
Increase/ (Decrease) in Other Current Liabilities	(23,230,854)		(62,992,532)	
Gratuity Paid	(2,472,714)		(2,737,320)	
Leave Encashment Paid	(1,129,565)		(799,443)	
<b>Cash Generated from Operations</b>		<b>(36,089,619)</b>		<b>(161,263,085)</b>
<b>Less:</b>		<b>155,586,102</b>		<b>(15,217,775)</b>
Aggregate Direct Taxes paid/(Refund)	(15,127,731)		23,686,333	
<b>Net Cash from Operating Activities</b>		<b>(15,127,731)</b>		<b>23,686,333</b>
<b>B) CASH FLOW FROM INVESTING ACTIVITIES:</b>		<b>170,713,833</b>		<b>(38,904,108)</b>
Purchase of Fixed Assets	(1,813,830)		(29,137,256)	
Product Development Cost	(16,449,647)		(50,198,351)	
Sale of Fixed Assets	-		-	
Interest Received on Fixed Deposit	2,759,946		2,295,112	
<b>Net Cash used in Investing Activities</b>		<b>(15,503,531)</b>		<b>(77,040,495)</b>
<b>C) CASH FLOW FROM FINANCING ACTIVITIES:</b>		<b>(15,503,531)</b>		<b>(77,040,495)</b>
Proceeds from Non-Current Borrowings	3,041,930		37,120,968	
Repayment of Non-Current Borrowings	(10,243,855)		(3,408,750)	
Movement in Current Borrowings	(96,695,490)		108,453,384	
Bank Balance not considered as cash and cash equivalents (Refer Note: 8)	(2,563,699)		5,545,576	
Dividends Paid (including distribution tax)	-		(10,667,900)	
Finance Costs	(12,664,183)		(20,811,809)	
<b>Net cash generated through financing activities</b>		<b>(154,197,160)</b>		<b>116,231,469</b>
<b>Net Increase/(Decrease) in Cash and equivalents (A+B+C)</b>		<b>1,013,143</b>		<b>286,866</b>
Cash & Cash Equivalents at the Beginning of the Year	2,775,101		2,488,235	
Cash & Cash Equivalents at the End of the Year	3,788,244		2,775,101	

Note:-

(i). The above cash flow statement has been prepared under the indirect method as set out in the Ind AS-7 ' Statement of Cash Flows'.

(ii). Cash and cash equivalents included in the cash flow statement comprise of the following balance sheet amounts:

	2018-19	2017-18
Cash and cash equivalents at the end of the year as per cash flow statement	3,788,244	2,775,101
Add: In Deposit a/c - Held as Security for the Loan and Margin Money against Bank Guarantee	30,462,623	27,898,924
<b>Cash and cash equivalents at the end of the year as per Note: 8</b>	<b>34,250,867</b>	<b>30,674,024</b>

As per our attached report of even date

For N K R & CO  
Chartered Accountants  
Firm Reg. No: 127820W

T.N.V.Visweswara Rao  
Partner  
M.No. 204084

Place: Hyderabad  
Date: 30/05/2019

For Bodhtree Consulting Limited  
CIN: L74140TG1982PLC040516

L. N.Ramakrishna  
Managing Director  
DIN: 03623543

K. Prabhakar Rao  
Vice-President- Finance

K. Rajesh  
Director  
DIN: 02727491

Varsha Gupta  
Company Secretary

Notes Forming Integral Part of the Consolidated Balance Sheet as at 31st March, 2019

Note 4

**Property, plant and equipment**

S.No.	PARTICULARS	GROSS BLOCK				DEPRECIATION				Net Block	
		As At 1st April 2018		Additions		Deletions/Adjustments		As At 31st March, 2019		For the Year	
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
<b>(1) Tangible Assets</b>											
1	Computer - Hardware	61,874,000	-	-	61,874,000	48,706,482	5,598,260	-	54,304,742	7,569,257	13,167,518
2	AC's/UUPS/Stabilisers	9,720,842	-	-	9,720,842	6,373,224	1,423,061	-	7,796,285	1,924,556	3,347,617
3	Electrical Items	4,825,101	-	-	4,825,101	1,733,417	471,140	-	2,204,557	2,620,544	3,091,684
4	Office Equipment	18,093,926	-	-	18,093,926	6,165,938	2,904,366	-	9,070,304	9,023,622	11,927,988
5	Audio & Video Systems	197,000	14,250	-	211,250	193,835	1,678	-	195,513	15,737	3,165
6	Furniture & Fixtures	16,176,732	-	-	16,176,732	8,703,773	1,165,490	-	9,869,263	6,307,469	7,472,959
7	Vehicles	26,956,090	1,799,580	-	28,755,670	14,944,584	2,667,458	-	17,612,042	11,143,628	12,011,506
	<b>Total</b>	<b>137,843,691</b>	<b>1,813,830</b>	-	<b>139,657,521</b>	<b>86,821,253</b>	<b>14,231,453</b>	-	<b>101,052,706</b>	<b>38,604,813</b>	<b>51,022,437</b>
<b>(2) Intangible Assets</b>											
1	Computer - Software	15,758,073	-	-	15,758,073	15,549,903	208,170	-	15,758,073	-	208,170
2	Developed Software Product	138,925,137	88,514,377	-	227,439,514	40,925,102	44,159,245	-	85,084,347	142,355,167	98,000,035
	<b>Total</b>	<b>154,683,210</b>	<b>88,514,377</b>	-	<b>243,197,587</b>	<b>56,475,005</b>	<b>44,367,415</b>	-	<b>100,842,420</b>	<b>142,355,167</b>	<b>98,208,205</b>
	<b>Grand Total</b>	<b>292,526,901</b>	<b>90,328,207</b>	-	<b>382,855,108</b>	<b>143,296,258</b>	<b>58,598,868</b>	-	<b>201,895,126</b>	<b>180,959,980</b>	<b>149,230,643</b>
	<b>Previous Year</b>	<b>223,389,645</b>	<b>69,137,256</b>	-	<b>292,526,901</b>	<b>85,368,029</b>	<b>57,928,229</b>	-	<b>143,296,258</b>	<b>149,230,643</b>	<b>138,021,616</b>
	<b>(3) Intangible Assets under Development</b>	<b>87,141,588</b>	<b>16,449,647</b>	<b>88,514,377</b>	<b>15,076,858</b>						

Note:

1. Intangible Assets under Development represents the cost incurred by the company on development of software which will be capitalised on completion thereof.

**Notes Forming Integral Part of the Consolidated Balance Sheet as at 31st March, 2019**

<i>Note : 5 Investments</i>		Amount in Rs.	
	Particulars	As At 31st March, 2019	As At 31st March, 2018
	<b>Investment in Equity Instruments</b>		
	<i>Unquoted</i>		
	<i>Investment in Subsidiary</i>		
	Bodhtree Human Capital Private Limited 10,000 Equity Shares of Rs.10 each	100,000	100,000
	<i>Investments in Associates</i>		
	Learnsmart India Private Limited 505,000 Equity shares of Rs.10 each	5,050,000	5,050,000
	Pressmart Media Limited 5,257,924 Equity shares of Rs.10 each	67,199,710	67,199,710
	<i>Quoted</i>		
	Hypersoft Technologies Limited 100,000 (31st Mar'18 : 100,000,) Equity Shares of Rs.10 each	499,000	726,000
	<b>Total</b>	<b>72,848,710</b>	<b>73,075,710</b>

<i>Note : 6 Deferred Tax Asset / (Liabilities)</i>		Amount in Rs.	
	Particulars	As At 31st March, 2019	As At 31st March, 2018
	On account of depreciation	(3,629,156)	(4,381,003)
	On account of provisions, tax losses and investments	7,150,091	15,006,386
<b>Total</b>		<b>3,520,935</b>	<b>10,625,383</b>

<i>Note : 7 Trade Receivables</i>		Amount in Rs.	
	Particulars	As At 31st March, 2019	As At 31st March, 2018
	<b>(Unsecured, Considered Good)</b>		
	Trade Receivables	1,061,156,022	577,211,026
<b>Total</b>		<b>1,061,156,022</b>	<b>577,211,026</b>

**Notes Forming Integral Part of the Consolidated Balance Sheet as at 31st March, 2019**

<b>Note : 8 Cash &amp; Cash Equivalents</b>		<b>Amount in Rs.</b>	
	<b>Particulars</b>	<b>As At 31st March, 2019</b>	<b>As At 31st March, 2018</b>
Cash on Hand  Balances with Banks -In Current Accounts with Banks		59,904	538,815
		3,728,340	2,236,285
		<b>Sub Total (A)</b>	<b>3,788,244</b>
			<b>2,775,101</b>
	<b>Bank balances other than above</b>		
	In Deposit a/c - Held as Security for the Loan and Margin Money against Bank Guarantee	30,462,623	27,898,924
		<b>Sub Total (B)</b>	<b>30,462,623</b>
			<b>27,898,924</b>
<b>Total [ A + B ]</b>		<b>34,250,867</b>	<b>30,674,024</b>
Of the above, the balances that meet the definition of Cash and cash equivalents as per Ind AS 7 Cash Flow Statements		<b>3,788,244</b>	<b>2,775,101</b>

<b>Note : 9 Loans and Advances</b>		<b>Amount in Rs.</b>	
	<b>Particulars</b>	<b>As At 31st March, 2019</b>	<b>As At 31st March, 2018</b>
(Unsecured, Considered Good)			
Advances to related parties		33,978,643	34,093,643
Deposits		10,807,398	5,496,561
Others		474,000	474,000
<b>Total</b>		<b>45,260,041</b>	<b>40,064,204</b>

<b>Note : 10 Other Financial Assets</b>		<b>Amount in Rs.</b>	
	<b>Particulars</b>	<b>As At 31st March, 2019</b>	<b>As At 31st March, 2018</b>
(Unsecured, Considered Good)			
Security Deposits		7,475,175	13,620,295
<b>Total</b>		<b>7,475,175</b>	<b>13,620,295</b>

<b>Note : 11 Current Tax Assets (Net)</b>		<b>Amount in Rs.</b>	
	<b>Particulars</b>	<b>As At 31st March, 2019</b>	<b>As At 31st March, 2018</b>
Advance Tax (Net )		15,760,518	62,744,137
Mat Credit Entitlement		-	2,509,261
<b>Total</b>		<b>15,760,518</b>	<b>65,253,398</b>

<b>Note : 12 Other Current Assets</b>		<b>Amount in Rs.</b>	
	<b>Particulars</b>	<b>As At 31st March, 2019</b>	<b>As At 31st March, 2018</b>
(Unsecured, Considered Good)			
Advance to Suppliers		18,350,861	23,387,691
Advances to employees		4,266,931	4,067,445
Prepaid Expenses		1,863,206	4,095,830
Unbilled Revenue		40,656,217	13,791,745
Others		614,614	450,000
<b>Total</b>		<b>65,751,829</b>	<b>45,792,711</b>

**Notes Forming Integral Part of the Consolidated Balance Sheet as at 31st March, 2019**

<b>Note : 13 Equity Share Capital</b>				<b>Amount in Rs.</b>																															
	<b>Particulars</b>		<b>As At</b>	<b>As At</b>																															
			<b>31st March, 2019</b>	<b>31st March, 2018</b>																															
<b>AUTHORIZED CAPITAL</b>																																			
3,10,00,000 Equity Shares of Rs. 10/- each			310,000,000	310,000,000																															
			310,000,000	310,000,000																															
<b>ISSUED , SUBSCRIBED &amp; FULLY PAID UP CAPITAL</b>																																			
1,99,58,236 Equity Shares of Rs. 10/- each with Voting Rights			199,582,360	199,582,360																															
<b>Equity Shares of Rs.10/- each:</b>																																			
<b>Shares held by holding / ultimate holding company and / or their subsidiaries / associates and details of the shareholding more than 5% shares in the company</b>																																			
<table> <thead> <tr> <th><b>Name of Shareholder</b></th> <th><b>2018-19</b></th> <th><b>2017-18</b></th> <th></th> <th></th> <th></th> </tr> <tr> <th></th> <th><b>No.of shares</b></th> <th><b>%</b></th> <th><b>No.of shares</b></th> <th><b>%</b></th> <th></th> </tr> </thead> <tbody> <tr> <td>1.Bodhtree Solutions Inc</td> <td>80,00,000</td> <td>40.08</td> <td>80,00,000</td> <td>40.08</td> <td></td> </tr> <tr> <td>2.Sanjiv Gupta</td> <td>11,34,284</td> <td>5.68</td> <td>21,34,500</td> <td>11.83</td> <td></td> </tr> <tr> <td>3.Premaya World Wide Pte Ltd*</td> <td>19,12,069</td> <td>9.58</td> <td>19,12,069</td> <td>9.58</td> <td></td> </tr> </tbody> </table>						<b>Name of Shareholder</b>	<b>2018-19</b>	<b>2017-18</b>					<b>No.of shares</b>	<b>%</b>	<b>No.of shares</b>	<b>%</b>		1.Bodhtree Solutions Inc	80,00,000	40.08	80,00,000	40.08		2.Sanjiv Gupta	11,34,284	5.68	21,34,500	11.83		3.Premaya World Wide Pte Ltd*	19,12,069	9.58	19,12,069	9.58	
<b>Name of Shareholder</b>	<b>2018-19</b>	<b>2017-18</b>																																	
	<b>No.of shares</b>	<b>%</b>	<b>No.of shares</b>	<b>%</b>																															
1.Bodhtree Solutions Inc	80,00,000	40.08	80,00,000	40.08																															
2.Sanjiv Gupta	11,34,284	5.68	21,34,500	11.83																															
3.Premaya World Wide Pte Ltd*	19,12,069	9.58	19,12,069	9.58																															
<b>Reconciliation of Shares</b>	<b>2018-19</b>	<b>2017-18</b>																																	
Opening Equity Shares	1,99,58,236	1,80,46,167																																	
Add: Shares Issued during the year	-	19,12,069																																	
Closing Equity Shares	1,99,58,236	1,99,58,236																																	
			<b>199,582,360</b>	<b>199,582,360</b>																															
<b>Details of Shares Issued for Consideration Other than Cash:-</b>																																			
91,00,000 Equity shares of Rs. 10/- were issued on 09th November, 2011 to the shareholders of erstwhile ACP Limited in consideration for the merger with the company as per the order of AP High Court dated 14th August, 2011.																																			
<b>Total</b>			<b>199,582,360</b>	<b>199,582,360</b>																															

Rights, Preferences and Restrictions attached to Shares:

**Equity Shares**

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each Shareholder is eligible for one vote per share. The dividend proposed if any by the Board of Directors is subject to the approval of shareholders, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

**Notes Forming Integral Part of the Consolidated Balance Sheet as at 31st March, 2019**

<b>Note : 14 Other Equity</b>		<b>Amount in Rs.</b>	
	<b>Particulars</b>	<b>As At 31st March, 2019</b>	<b>As At 31st March, 2018</b>
	<b>0.001% Compulsorily Convertible Preference Shares of 10 each</b>		
	Balance as per last balance sheet	-	24,259,380
	Add/ Less - Issue , allotment and conversion	-	(24,259,380)
	Balance at the end of the year	-	-
	<b>Securities Premium</b>		
	Opening balance	137,334,650	132,195,975
	Add : Premium on issue of Equity Shares during the year	-	58,509,311
	Less : Premium on conversion of CCPS issued	-	(53,370,636)
		<b>137,334,650</b>	<b>137,334,650</b>
	<b>Other Reserves</b>		
	General Reserve	5,000,000	5,000,000
		5,000,000	5,000,000
	<b>Surplus / (Deficit) in Statement of Profit and Loss</b>		
	Balance at the beginning of the year	97,857,979	66,847,397
	Less: Dividend Paid	3,077,560	9,980,000
	Less: Dividend Distribution Tax	14,968,677	2,031,514
	Add: Profit / (Loss) for the year	77,767,704	43,022,096
	Add / Less Fair value difference in Financial Instruments	-	-
	Add / less deferred tax adjustments	-	-
		<b>157,579,446</b>	<b>97,857,979</b>
	<b>Total</b>	<b>299,914,096</b>	<b>240,192,629</b>

<b>Note : 15 Borrowings (Non-Current)</b>		<b>Amount in Rs.</b>	
	<b>Particulars</b>	<b>As At 31st March, 2019</b>	<b>As At 31st March, 2018</b>
	<b>Secured Loans</b>		
	<b>- From Banks</b>		
	Vehicle Loans	1,383,116	1,000,218
	Less: Current Maturities of Long term Debt	(353,658)	(924,829)
	Term Loan	14,622,242	18,979,922
	Less: Current Maturities of Long term Debt	(4,837,911)	(4,357,680)
		<b>10,813,788</b>	<b>14,697,632</b>
	<b>- From Others</b>		
	Vehicle Loans	2,873,762	3,330,811
	Less: Current Maturities of Long term Debt	(2,873,762)	(529,959)
		-	<b>2,800,852</b>
	<b>Total Secured Loans</b>	<b>10,813,788</b>	<b>17,498,484</b>
	<b>Unsecured Loans</b>		
	<b>- From Others</b>		
	Less: Current Maturities of Long term Debt	15,142,419	17,912,512
	<b>Total Unsecured Loans</b>	<b>12,470,131</b>	<b>13,689,433</b>
	<b>Total</b>	<b>23,283,919</b>	<b>31,187,917</b>

Notes:

Secured Loans

Loan From Banks and Others

- 1 Secured by the hypothecation of vehicles
- 2 Loan amount is repayable within 2 years and 5 years

## Notes Forming Integral Part of the Consolidated Balance Sheet as at 31st March, 2019

<b>Note : 16 Provisions(Non-Current)</b>		<b>Amount in Rs.</b>	
	<b>Particulars</b>	<b>As At 31st March, 2019</b>	<b>As At 31st March, 2018</b>
	<b>Provision for Employee Benefit</b>		
	Gratuity	5,739,388	5,096,239
	Compensated Absences	1,539,076	1,806,138
	<b>Total</b>	<b>7,278,464</b>	<b>6,902,377</b>

<b>Note : 17 Borrowings (Current)</b>		<b>Amount in Rs.</b>	
	<b>Particulars</b>	<b>As At 31st March, 2019</b>	<b>As At 31st March, 2018</b>
	<b>Secured Loans - Refer Note</b>		
	Cash Credit facility from a Bank	79,289,427	177,824,503
	Credit Card Facility	13,149	2,393,180
	<b>Unsecured</b>		
	Loan from a Related Party	5,232,545	1,012,928
	From others	-	-
	<b>Total</b>	<b>84,535,121</b>	<b>181,230,611</b>

### Note

1. Secured by hypothecation of Bookdebts, lien on fixed deposits and
2. Personal guarantees of Directors of the Company and collateral security of land owned by Director of the company.

<b>Note : 18 Trade Payables</b>		<b>Amount in Rs.</b>	
	<b>Particulars</b>	<b>As At 31st March, 2019</b>	<b>As At 31st March, 2018</b>
	Trade Payables other than Acceptances:		
	Dues to micro enterprises and small enterprises	-	-
	Others	645,829,721	182,268,053
	<b>Total</b>	<b>645,829,721</b>	<b>182,268,053</b>

<b>Note : 19 Other Financial Liabilities (Current)</b>		<b>Amount in Rs.</b>	
	<b>Particulars</b>	<b>As At 31st March, 2019</b>	<b>As At 31st March, 2018</b>
	Current Maturities of Long Term Debt	10,737,620	10,035,547
	Other Advances	16,868,316	20,418,129
	Payable to Employees	30,024,508	18,839,470
	<b>Total</b>	<b>57,630,444</b>	<b>49,293,146</b>

<b>Note : 20 Other Current Liabilities</b>		<b>Amount in Rs.</b>	
	<b>Particulars</b>	<b>As At 31st March, 2019</b>	<b>As At 31st March, 2018</b>
	Advance From Customers	662,479	867,828
	Provision for Expenses	10,889,991	32,987,441
	Statutory Liabilities	75,761,511	108,701,263
	Provision for Interest on Statutory Liabilities	32,183,626	21,597,900
	Dividend Payable (including Dividend Distribution Tax)	6,725,668	1,343,614
	Security Deposits	56,925,969	35,500,000
	<b>Total</b>	<b>183,149,244</b>	<b>200,998,045</b>

<b>Note : 21 Provisions (Current)</b>		<b>Amount in Rs.</b>	
	<b>Particulars</b>	<b>As At 31st March, 2019</b>	<b>As At 31st March, 2018</b>
	Gratuity	386,254	439,107
	Compensated Absences	371,312	494,737
	<b>Total</b>	<b>757,566</b>	<b>933,844</b>

**Notes Forming Integral Part of the Consolidated Statement of Profit And Loss for the year ended 31st March, 2019**

<b>Note : 22 Revenue from Operations</b>		<b>Amount in Rs.</b>	
<b>Sr. No</b>	<b>Particulars</b>	<b>Year Ended 31-03-2019</b>	<b>Year Ended 31-03-2018</b>
	<b>Export Sales</b> Projects - Consultancy Services Projects - Off Shore License-Resale(Exports) Referral Fees	257,967,876 6,153,441 114,931 2,870,170	131,430,917 50,008,502 943,609 6,617,168
		<b>267,106,418</b>	<b>189,000,195</b>
	<b>Domestic Sales</b> Consultancy Services Projects - Offsite Projects - Onsite Consultancy Services Sale of Licences & Others (including devices)	53,395,752 203,095,379 87,684,383 552,240,609	54,297,310 527,597,756 182,992,438 191,063,205
		<b>896,416,123</b>	<b>955,950,709</b>
	<b>Total</b>	<b>1,163,522,541</b>	<b>1,144,950,904</b>

<b>Note : 23 Other Income</b>		<b>Amount in Rs.</b>	
<b>Sr. No</b>	<b>Particulars</b>	<b>Year Ended 31-03-2019</b>	<b>Year Ended 31-03-2018</b>
	Interest on Fixed Deposits with Bank	2,759,946	1,006,469
	Misc. Income	84,001	-
	Interest on Income Tax Refund	1,133,866	1,288,643
	Exchange Fluctuation	17,885,348	-
	Profit on sale of land	4,616,103	-
	<b>Total</b>	<b>26,479,264</b>	<b>2,295,112</b>

**Notes Forming Integral Part of the Consolidated Statement of Profit And Loss for the year ended 31st March, 2019**

<b>Note : 24 Work Execution Expenses</b>		<b>Amount in Rs.</b>	
<b>Sr. No</b>	<b>Particulars</b>	<b>Year Ended 31-03-2019</b>	<b>Year Ended 31-03-2018</b>
	Cost of SF / CRM Licenses / Others - (Resale / Own Use)	517,818,760	192,958,810
	Software - Technical Fee	276,101,220	593,461,081
	<b>Total</b>	<b>793,919,980</b>	<b>786,419,891</b>

<b>Note : 25 Employee Benefit Expenses</b>		<b>Amount in Rs.</b>	
<b>Sr. No</b>	<b>Particulars</b>	<b>Year Ended 31-03-2019</b>	<b>Year Ended 31-03-2018</b>
	Salaries and Allowances	100,517,459	140,495,970
	Directors Remuneration	5,797,908	5,797,908
	Contribution to Provident Fund & others	7,758,325	9,714,632
	Staff Welfare	5,010,670	4,249,635
	<b>Total</b>	<b>119,084,362</b>	<b>160,258,145</b>

<b>Note :26 Finance Costs</b>		<b>Amount in Rs.</b>	
<b>Sr. No</b>	<b>Particulars</b>	<b>Year Ended 31-03-2019</b>	<b>Year Ended 31-03-2018</b>
	Interest on Term Loans	1,787,136	516,126
	Interest on Vehicle Loans	408,290	608,496
	Interest on Cash Credit from Bank	10,974,119	9,829,101
	Bank & Other Finance Charges	6,065,919	4,190,006
	Interest on Delayed Payment of Statutory Dues	15,837,701	5,668,080
	<b>Total</b>	<b>35,073,165</b>	<b>20,811,809</b>

<b>Note : 27 Other Expenses</b>		<b>Amount in Rs.</b>	
<b>Sr. No</b>	<b>Particulars</b>	<b>Year Ended 31-03-2019</b>	<b>Year Ended 31-03-2018</b>
	Director's Sitting Fee	103,000	167,000
	Insurance	1,550,403	257,646
	Printing & Stationery	166,621	246,367
	Rent, Rates & Taxes	15,937,370	14,123,712
	Communication Expenses	6,046,054	4,759,447
	Travelling Expenses	7,622,405	10,984,723
	Business Promotion Expenses	668,982	1,958,476
	Electricity & Water Charges	3,313,288	3,368,546
	Professional & Consultancy Charges	11,782,640	6,295,056
	Remuneration to Auditors	600,000	600,000
	Recruitment & Training Expenses	710,674	674,975
	Repairs & Maintenance	5,571,013	7,527,245
	Foreign Exchange Variation Loss	1,062	468,282
	Change in Fair Value (P&L)	227,000	274,000
	Written offs	1,200,000	22,699
	Miscellaneous Expenses	4,856,105	4,359,566
	<b>Total</b>	<b>60,356,615</b>	<b>56,087,741</b>

**Notes Forming Integral Part of the Consolidated Statement of Profit And Loss for the year ended 31st March, 2019**

**Note: 28**

**Income Taxes**

<b>Sl. No.</b>	<b>Particulars</b>	<b>Year Ended 31-03-2019</b>	<b>Year Ended 31-03-2018</b>
<b>(i)</b>	<b>Profit or Loss section</b>		
	Current tax	34,365,149	22,866,085
	(Less):- Mat Credit / Reversal	-	-
	Taxes of Earlier Years	3,072,739	-
	Deferred tax	7,180,579	(1,367,709)
	<b>Total income tax expense recognised in Statement of Profit &amp; Loss</b>	<b>44,618,467</b>	<b>21,498,376</b>
<b>(ii)</b>	<b>OCI Section</b>		
	Remeasurements of post employment benefit	76,131	37,515
	<b>Income tax charged to OCI</b>	<b>76,131</b>	<b>37,515</b>

#### Note: 29

##### **Earnings per Share:**

The following is computation of earnings per share and a reconciliation of the equity shares used in the computation of basic and diluted earnings per equity share.

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Earnings for calculating the Earnings per share (Rs.)	77,767,704	43,022,096
Earnings for calculating Diluted Earnings per share (Rs.)	77,767,704	43,022,096
Weighted average number of equity shares ( For Basic EPS)	19,958,236	19,827,272
Weighted average number of equity shares ( For Diluted EPS)	19,958,236	19,827,272
Basic Earning per share	3.90	2.17
Diluted Earning per share	3.90	2.17

#### Note: 30

Balances of Trade Receivables, Trade Payables, Loans & Advances are subject to confirmation and reconciliations, if any.

#### Note: 31

##### **Segment Reporting**

Based on the internal reporting provided to the Chief Operating Decision Maker, the standalone financial results relates to "Software and related products" as the only reportable primary segment of the Company.

#### Note: 32

##### **Contingent Liabilities and Commitments**

Particulars	As at 31-03-2019	As at 31-03-2018
	Rs.	Rs.
Bank Guarantees	71,024,694	13,275,550
Dividend on 0.001% of Cumulative Convertible Redeemable Preference shares		
<b>Total</b>	<b>71,024,694</b>	<b>13,275,550</b>

#### Note: 33

##### **Earnings in Foreign Exchange**

Particulars	For the year ended 31-03-2019	For the year ended 31-03-2018
	Rs.	Rs.
FOB Value of Exports (Services)	267,106,418	189,000,195
<b>Total</b>	<b>267,106,418</b>	<b>189,000,195</b>

#### Note: 34

##### **Expenditure in Foreign Exchange**

Particulars	For the year ended 31-03-2019	For the year ended 31-03-2018
	Rs.	Rs.
Purchase of Licences	8,411,193	15,438,046
Travelling, Conveyance & Other Expenditure	3,300,140	4,517,202
<b>Total</b>	<b>11,711,333</b>	<b>19,955,248</b>

#### Note: 35

##### **Payments to Auditors**

Particulars	2018-19	2017-18
Statutory Audit Fee	550,000	550,000
Audit Fee for Consolidation of Accounts	50,000	50,000
Certification Fee	6,000	26,000
Out of pocket expenses reimbursed	-	25,000
<b>Total</b>	<b>606,000</b>	<b>651,000</b>

(Net of Tax)

## Note: 36

### Employee Benefits

#### (i) **Defined benefit plans**

The Company provides for gratuity, a defined benefit plan to its employees. The gratuity plan provides a lump sum payment to eligible employees at retirement or termination of employment based on the respective employees last drawn salary and years of employment with the Company as governed by the Payment of Gratuity Act, 1972.

#### A. Change in Defined Benefit Obligation

	<b>As at</b>	
	<b>31-Mar-19</b>	<b>31-Mar-18</b>
<b>Defined benefit obligation at the beginning of the year</b>	5,535,346	4,440,055
Current service cost	1,209,712	1,206,659
Interest Cost	456,111	288,904
Loss / (gain) on settlements	-	-
Benefit Payments from Employer	(1,734,301)	(1,657,515)
Remeasurements - Due to Demographic Assumptions	(160,758)	-
Remeasurements - Due to Financial Assumptions	724,127	(514,349)
Remeasurements - Due to Experience Adjustments	95,405	1,771,592
<b>Projected benefit obligation at the end of the year</b>	<b>6,125,642</b>	<b>5,535,346</b>

#### B. Change in Fair Value of Plan Assets

<b>Fair Value of Plan Assets at the beginning year</b>	-	-
Employer Direct Benefit Payments	1,734,301	1,657,515
Benefit Payments from Employer	(1,734,301)	(1,657,515)
<b>Fair Value of Plan Assets at the end of the year</b>	<b>-</b>	<b>-</b>

#### C. Components of Defined Benefit Cost

Current service cost	1,209,712	1,206,659
Interest cost	456,111	288,904
Reimbursement of Other Long Term Benefits	-	-
<b>Defined Benefit Cost included in P &amp; L</b>	<b>1,665,823</b>	<b>1,495,563</b>
Remeasurements - Due to Demographic Assumptions	(160,758)	-
Remeasurements - Due to Financial Assumptions	724,127	(514,349)
Remeasurements - Due to Experience Adjustments	95,405	1,771,592
<b>Total Remeasurements in OCI</b>	<b>658,774</b>	<b>1,257,243</b>
<b>Total Defined Benefit Cost recognized in P&amp;L and OCI</b>	<b>2,324,597</b>	<b>2,752,806</b>

#### D. Amounts recognized in the balance sheet

Defined Benefit Obligation	6,125,642	5,535,346
Fair Value of Plan Assets	-	-
<b>Funded Status</b>	<b>6,125,642</b>	<b>5,535,346</b>
Effect of Asset Ceiling / Onerous Liability	-	-
<b>Net Defined Benefit Liability / (Asset)</b>	<b>6,125,642</b>	<b>5,535,346</b>
<b>Short term liability in the above</b>	<b>386,254</b>	<b>439,107</b>

(ii) In respect of Defined contribution plan (Provident Fund), an amount of Rs.52,98,385 (31 March 2018: Rs.7,120,240) has been recognised in the Statement of Profit and Loss.

## Note: 37

The Company has taken various premises under cancellable operating lease agreements. Company intends to renew such leases in the normal course of business. Total rental expenses under cancellable operating leases amounted to Rs.10,825,809 (previous year: Rs. 11,846,377). The same are grouped under Rent in other expenses in the Statement of Profit and Loss. The Company has no non-cancellable operating leases during the year ended 31 March 2019.

Notes attached to and forming part of Consolidated Financial Statements for the year ended March 31, 2019

**Note: 38**

**Financial instruments**

i. Capital Management

The Company manages its capital to ensure that the Company will be able to continue as going concern while maximising the return to stakeholders through optimisation of debt and equity balance. The capital structure of the Company consists of net debt and total equity of the Company. The Company is not subject to any externally imposed capital requirements.

Gearing ratio:

The gearing ratio at the end of the reporting period was as follows

Particulars		As at March 31, 2019	As at March 31, 2018
Interest-bearing loans and borrowings		118,556,660	222,454,075
Less: cash and cash equivalents		34,250,867	30,674,024
<b>Underlying net debt</b>	<b>A</b>	<b>84,305,793</b>	<b>191,780,050</b>
Total equity	B	499,496,456	439,774,989
<b>Equity and underlying net debt</b>	<b>C=[A+B]</b>	<b>583,802,249</b>	<b>631,555,039</b>
<b>Gearing ratio</b>	<b>D=[A/C]</b>	<b>14.44%</b>	<b>30.37%</b>

Interest bearing loan and borrowings

Non-Current			
Secured Loans			
- From Banks		16,005,358	19,980,140
- From Others		2,873,762	3,330,811
Unsecured Loans			
- From Related Parties		-	-
- From Others		15,142,419	17,912,512
<b>Current</b>			
Secured Loans			
- Cash Credit facility from a Bank		79,302,576	180,217,683
Unsecured			
- Loan from a Related Party		5,232,545	1,012,928
- From Others			
		<b>118,556,660</b>	<b>222,454,075</b>

ii. Category of Financial Instruments

Particulars	March 31, 2019		March 31, 2018	
	FVTPL	Amortised cost	FVTPL	Amortised cost
<b>Financial assets</b>				
<b>Non Current Financial Assets</b>				
Investments	499,000	72,249,710	726,000	72,249,710
<b>Current Financial Assets</b>				
Trade Receivables		1,061,156,022		577,211,026
Cash and cash equivalents		34,250,867		30,674,024
Short-term loans and advances		45,260,041		40,064,204
Others		7,475,175		13,620,295
<b>Total financial assets</b>	<b>499,000</b>	<b>1,220,391,814</b>	<b>726,000</b>	<b>733,819,259</b>
<b>Financial Liabilities</b>				
<b>Non Current Financial Liabilities</b>				
Borrowings			41,223,464	
<b>Current Financial Liabilities</b>				
Borrowings		5,232,545		1,012,928
Trade payables		645,829,721		182,268,053
Other financial liabilities		46,892,824		39,257,599
<b>Total financial liabilities</b>	<b>34,021,539</b>	<b>697,955,090</b>	<b>221,441,146</b>	<b>222,538,580</b>

### iii. Financial risk management

The Company's finance department monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyse the exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Company's Corporate Treasury function reports quarterly to the Company's Board of Directors that monitors risks and policies implemented to mitigate risk exposures.

### iv. Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Company's credit risk arises principally from the trade receivables, loans, cash and cash equivalents and other financial assets.

#### *Trade receivables*

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. The customer's credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue trade receivables. The Company establishes an allowance for impairment that represents its estimate of expected losses in respect of trade and other receivables.

#### *Cash and bank balances*

The credit risk on liquid funds and other bank deposits is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

#### *Loans*

The Company's corporate treasury function manages the financial risks related to the business. The treasury function focuses on capital protection, liquidity and yield maximisation.

Loans are extended to counterparties after assessing their financial capabilities. Counterparty credit limits are reviewed and approved by Board/Audit Committee of the Company. These limits are set to minimise the concentration of risks and therefore mitigates the financial loss through counterparty's potential failure to make payments. Expected credit losses are provided based on the credit risk of the counterparties.

#### *Deposits and advances*

The Company's Corporate treasury function manages the financial risks related to the business. The Treasury function focuses on capital protection, liquidity and yield maximisation. Deposits and Advances are extended to counterparties after assessing their financial capabilities. Counterparty credit limits are reviewed and approved by Board/Audit Committee of the Company. These limits are set to minimise the concentration of risks and therefore mitigates the financial loss through counterparty's potential failure to make payments.

### v. Liquidity risk management

Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. Ultimate responsibility for liquidity risk management rests with the board of directors. The Company manages liquidity risk by maintaining reserves and banking facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following tables detail the Company's remaining contractual maturity for its financial liabilities with agreed repayment periods and its financial assets. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows.

(Rs in lakhs)

Particulars	As at March 31, 2019				As at March 31, 2018			
	< 1 year	1-5 years	> 5 years	Total	< 1 year	1-5 years	> 5 years	Total
<b>Financial assets</b>								
(i) Trade receivables	10,611.56	-	-	10,611.56	5,772.11	-	-	5,772.11
(ii) Cash and cash equivalents	37.88	-	-	37.88	27.75	-	-	27.75
(iii) Bank balances other than (ii) above	304.63	-	-	304.63	278.99	-	-	278.99
(iv) Loans and advances	452.60	-	-	452.60	400.64	-	-	400.64
(v) Other Financial Assets	74.75	-	-	74.75	136.20	-	-	136.20
<b>Total financial assets</b>	<b>11,481.42</b>	-	-	<b>11,481.42</b>	<b>6,615.70</b>	-	-	<b>6,615.70</b>
<b>Financial liabilities</b>								
<b>Non-Current</b>								
(i) Borrowings	107.38	232.84	-	340.22	100.36	311.88	-	412.23
<b>Current</b>								
(i) Borrowings	845.35	-	-	845.35	1,812.31	-	-	1,812.31
(ii) Trade Payables	6,458.30	-	-	6,458.30	1,822.68	-	-	1,822.68
(iii) Other Financial Liabilities	468.93	-	-	468.93	392.58	-	-	392.58
<b>Total financial liabilities</b>	<b>7,879.95</b>	<b>232.84</b>	-	<b>8,112.79</b>	<b>4,127.92</b>	<b>311.88</b>	-	<b>4,439.80</b>

#### vi. Foreign exchange risk

The company's exchange risk arises from its foreign currency revenues and expenses. (primarily in US Dollars, Singapore Dollars and Euros)

Particulars	Foreign Currency	As at 31-03-2019	As at 31-03-2018
Trade Receivables	USD	5,024,374	2,789,680
	(In Rs.)	350,600,830	179,906,480
	SGD	460,679	460,677
	(In Rs.)	23,255,081	22,637,660
	EURO	4,022	4,058
Advances from Trade Receivables	(In Rs.)	308,431	323,869
	USD	266	126
	(In Rs.)	18,550	8,121
Trade Payables	USD	249,619	250,829
	(In Rs.)	17,418,415	16,175,945

#### **Note: 39**

##### **Corporate Social Responsibility**

The Group is in the process of constituting a Corporate Social Responsibility (CSR) committee and the Board shall start the spending on the CSR activities upon receiving the recommendations from the committee on the policy, amount of expenditure to be incurred on various activities and the process of monitoring the same.

#### **Notes attached to and forming part of Consolidated Financial Statements for the year ended March 31, 2019**

#### **Note: 40**

##### **Related Party Disclosures**

Holding Company	: Bodhtree Solutions Inc (Upto 29/05/2016)
Subsidiary Company	: Bodhtree Human Capital Pvt Limited
Fellow Subsidiaries	: Bodhtree Solutions Pte Limited (Upto 29/05/2016)
Associate Company	: Pressmart Media Limited Learnsmart (India) Private Limited
Key Management Personnel	: Mr. L.N.Ramakrishna, Managing Director
Enterprises controlled or significantly influenced by individual / relatives:	: Kepler Information Systems Pvt Ltd Sreeeven Infocom Ltd Skyline Ventures India Ltd

## Transactions with Related Parties

Particulars	2018-19	2017-18
	Rs.	Rs.
<b>Sales/Rendering Services</b>		
- Bodhtree Consulting LLC	158,347,051	116,708,973
- Bodhtree Solutions Inc	-	2,590,980
- Kepler Information Systems Pvt Ltd	70,744,144	-
- Skyline Ventures India Ltd	156,064	-
- Bodhtree Solutions PTE Ltd.	-	15,344,916
<b>Purchases/Availing Services</b>		
- Kepler Information Systems Pvt Ltd	41,904,000	29,160,000
- Sreeeven Infocom Ltd	8,500,000	-
<b>Remuneration to Key Managerial Persons</b>		
- L.N. Ramakrishna - Managing Director	5,797,908	5,797,908
- K. Prabhakar Rao - Chief Financial Officer	1,965,384	1,738,000
- K. Srikanth Reddy - Company secretary	365,736	756,696
- Varsha Gupta- Company Secretary	369,090	-
<b>Loans Received / (Repaid)</b>		
- Kepler Information Systems Pvt Ltd	(57,383)	(27,411,310)
<b>Director Sitting Fees</b>		
- Sanjiv Gupta	16,000	34,000
- Muninder Raja Arram	4,000	-
- L Muneashwari	18,000	37,000
<b>Balances outstanding at the end of the year</b>		
<b>Debit Balances</b>	266,604,229	75,694,985
<b>Credit Balances</b>	5,232,545	1,012,928
<b>Investments</b>	72,249,710	72,249,710

### Note: 41

Previous year figures have been regrouped / re arranged / re-classified wherever considered necessary to conform to the classification/disclosure of the current year.

As per our attached report of even date

**For N K R & CO**  
**Chartered Accountants**  
**Firm Reg. No: 127820W**

**T.N.V.Visweswara Rao**  
**Partner**  
**M.No. 204084**

**For Bodhtree Consulting Limited**  
**CIN: L74140TG1982PLC040516**

**L. N.Ramakrishna**  
**Managing Director**  
**DIN: 03623543**

**K. Rajesh**  
**Director**  
**DIN: 02727491**

Place: Hyderabad  
Date: 30/05/2019

**K. Prabhakar Rao**  
**Vice-President- Finance**

**Varsha Gupta**  
**Company Secretary**

**BODHTREE CONSULTING LIMITED**

CIN: L74140TG1982PLC040516

Registered Office: Block "A", Wing "2", Level -6, Cyber Gateway, Madhapur, Hyderabad, Telangana-500081

•E-mail: cosecy@bodhtree.com •Website: www.bodhtree.com

**ATTENDANCE SLIP FOR ANNUAL GENERAL MEETING****(To be surrendered at the venue of the meeting)**

I certify that I am a registered shareholder/proxy/representative for the registered shareholder(s) of Bodhtree Consulting Limited.

I hereby record my presence at the 37<sup>th</sup> Annual General Meeting of the Shareholders of Bodhtree Consulting Limited on Saturday, 28<sup>th</sup> day of September, 2019 at Crystal-I, Radisson, HITEC City, Gachibowli, Hyderabad, Telangana State, India, 500 032

<b>DP ID*</b>	<b>Regd. Folio No.</b>
<b>Client ID*</b>	<b>No. of Shares</b>

\*Applicable if shares are held in electronic form.

Name &amp; Address of Member

---

Signature of Shareholder/Proxy/Representative (Please Specify)



**BODHTREE CONSULTING LIMITED**

CIN: L74140TG1982PLC040516

Registered Office: Block "A", Wing "2", Level-6, Cyber Gateway, Madhapur, Hyderabad,  
Telangana-500081

•E-mail: cosecy@bodhtree.com •Website: www.bodhtree.com

**Form No.MGT-11**  
**Proxy Form**(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies  
(Management and Administration Rules, 2014)

CIN	L74140TG1982PLC040516	
Name of the Company	BODHTREE CONSULTING LIMITED	
Registered Office	Block "A", Wing "2", Level-6, Cyber Gateway, Madhapur, Hyderabad, Telangana-500081	
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 **Bodhtree Consulting Limited**, hereby appoint

(1) Name: \_\_\_\_\_

Address: \_\_\_\_\_

E-mail ID: \_\_\_\_\_ Signature: \_\_\_\_\_

or failing him/her

(2) Name: \_\_\_\_\_

Address: \_\_\_\_\_

E-mail ID: \_\_\_\_\_ Signature: \_\_\_\_\_

or failing him/her

(3) Name: \_\_\_\_\_

Address: \_\_\_\_\_

E-mail ID: \_\_\_\_\_ Signature: \_\_\_\_\_

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 37<sup>th</sup> Annual General Meeting (AGM) of the Company to be held on Saturday, 28<sup>th</sup> day of September, 2019 at Crystal-I, Radisson, HITEC City, Gachibowli, Hyderabad, Telangana State, India, 500 032 and at any adjournment thereof in respect of such resolutions as are indicated below:

<b>Resolution Number</b>	<b>Description</b>	<b>Optional (✓)</b>	
		<b>For</b>	<b>Against</b>
<b>Ordinary Business</b>			
1	Adoption of Accounts (Standalone and Consolidated) for the financial year ended 31 <sup>st</sup> March, 2019, the Balance Sheet as at that date and the Reports		
2	Appointment of Mr. L N Ramakrishna (DIN: 03623543), Director, who retires by rotation and being eligible offers himself for re-appointment of the Directors and Auditors thereon.		
3	Appointment of M/s NSVR & Associates LLP, Chartered Accountants (ICAI Firm Registration Number: 008801S/S200060) as Statutory Auditors of the Company for a period of five years.		
<b>Special Business</b>			
4	Appointment of Mr. Muninder Raja Arram (DIN: 07962171) as Director of the company.		
5	Appointment of Mr. Srinivas Reddy Mallayagari (DIN: 08070053) as Independent Director of the Company for a period of five years.		
6	Approval for further issuance of securities		

Signed this \_\_\_\_ day of \_\_\_\_\_ 2018.

Signature of shareholder: \_\_\_\_\_

Affix  
Revenue  
Stamp

**NOTE:**

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 Meeting.
2. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
3. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.

**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	L74140TG1982PLC040516		
Name of the Company	<b>BODHTREE CONSULTING LIMITED</b>		
Registered Office	Block "A", Wing"2", Level -6, Cyber Gateway, Madhapur, Hyderabad, Telangana-500081		
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 enumerated below by recording my assent or dissent to the said Resolution in the following manner:

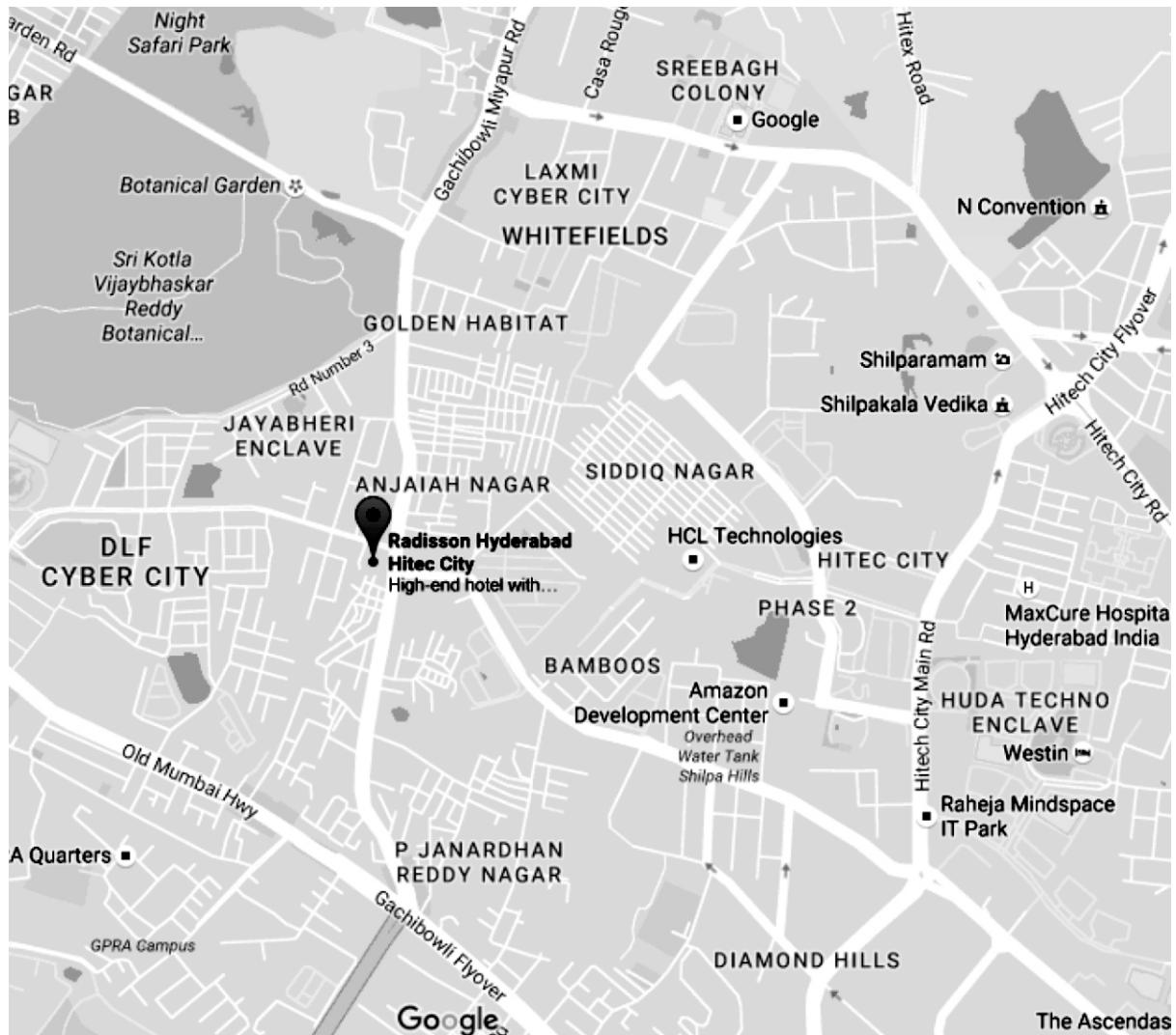
<b>Resolution Number</b>	<b>Description</b>	<b>Optional ( √ )</b>	
		<b>For</b>	<b>Against</b>
<b>Ordinary Business</b>			
1	Adoption of Accounts (Standalone and Consolidated) for the financial year ended 31 <sup>st</sup> March, 2019, the Balance Sheet as at that date and the Reports		
2	Appointment of Mr. L N Ramakrishna (DIN: 03623543), Director, who retires by rotation and being eligible offers of the Directors and Auditors thereon, himself for re appointment.		
3	Appointment of M/s NSVR & Associates LLP, Chartered Accountants (ICAI Firm Registration Number: 127820W) as Statutory Auditors of the Company for a period of five years.		
<b>Special Business</b>			
4	Appointment of Mr. Muninder Raja Arram (DIN: 07962171) as Director of the company.		
5	Appointment of Mr. Srinivas Reddy Mallayagari (DIN: 08070053) as Independent Director of the Company for a period of five years.		
6	Approval for further issuance of securities		

Place:

Date:

(Signature of the Shareholder)

ROUTE MAP FOR VENUE OF THE 37<sup>th</sup> ANNUAL GENERAL MEETING



## NOTES



## **Vision**

**We want to be the most admired company for our Employees, Partners and Customers.**

## **Mission**

**Enabling technology that helps our customers build a global, secure and scalable enterprise.**

## **Bodhtree Consulting Limited**

**Block "A", Wing "2", Level 6, Cyber Gateway,  
Madhapur, Hyderabad - 500081.**

**Tel: +91.40.6622.2333,**

**Fax: +91.40.6622.2444,**

**Web: [Bodhtree.com](http://Bodhtree.com)**

**Email: [business@bodhtree.com](mailto:business@bodhtree.com)**

