DUO WORLD INC

FORM 10-Q
(Quarterly Report)

Filed 11/13/17 for the Period Ending 09/30/17

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2017

or

[ ] TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE TRANSITION FROM ______ TO ______.

Commission File Number: 0-55698

DUO WORLD, INC.
(Exact name of registrant as specified in its charter)

Nevada	**35-2517572**
(State or other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification No.)
c/o Duo Software (Pvt.) Ltd. No. 403 Galle Road Colombo 03, Sri Lanka	Not applicable
(Address of principal executive offices)	(Zip code)

Registrant's telephone number: (870) 505-6540

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes **[X]** No **[ ]**

Indicate by check mark whether the registrant has submitted electronically and posted on its Website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (Sec.232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes [X] No [ ]

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer **[ ]**	Accelerated filer **[ ]**
Non-accelerated filer **[ ]**	Smaller reporting company **[X]**

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes [ ] No [X]

APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS DURING THE PRECEDING FIVE YEARS

Indicate by check mark whether the registrant filed all documents and reports required to be filed by Section 12, 13 or 15(d) of the Exchange Act after the distribution of securities under a plan confirmed by a court. Yes **[ ]** No **[ ]**

APPLICABLE ONLY TO CORPORATE ISSUERS

State the number of shares outstanding of each of the issuer's classes of common equity, as of the latest practicable date: As of November 13, 2017, there were 41,116,654 outstanding shares of the Registrant's Common Stock, $.001 par value.

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PART I – FINANCIAL INFORMATION

Item 1. Financial Statements.

Duo World, Inc. and Subsidiaries
Consolidated Financial Statements
September 30, 2017
(Unaudited)

CONTENTS

Duo World, Inc. and Subsidiaries
Consolidated Balance Sheets

	September 30, 2017 (Un-audited)	March 31, 2017 (Audited)
ASSETS		
Current Assets		
Cash and cash equivalents	$ 22,999	$ 25,084
Accounts receivable - trade	585,588	621,670
Prepaid expenses and other current assets	1,566,345	257,376
Accrued Revenue	65,663	70,174
Total Current Assets	**2,240,595**	**974,304**
Non Current Assets		
Property and equipment, net of accumulated depreciation of $ 258,304 and $ 248,326 respectively.	33,690	48,087
Intangible assets, net	658,651	580,899
Deferred taxes	30,596	30,864
Total Non Current Assets	**722,937**	**659,850**
Total Assets	**$ 2,963,532**	**$ 1,634,154**
LIABILITIES and SHAREHOLDERS' DEFICIT		
Current Liabilities		
Accounts Payable	$ 351,947	$ 307,616
Payroll, employee benefits, severance	395,398	284,285
Short Term Borrowings	501,256	473,838
Due to related parties	572,047	361,785
Payable for acquisition	185,762	185,762
Taxes payable	102,550	82,669
Accruals and other payables	103,905	169,746
Deferred revenue	10,654	16,420
Total Current liabilities	**2,223,519**	**1,882,121**
Long Term Liabilities		
Due to related parties	1,177,373	1,168,866
Total Long Term liabilities	**1,177,373**	**1,168,866**
Total liabilities	**$ 3,400,892**	**$ 3,050,987**
Commitments and contingencies (Note 16)		
Shareholders' Deficit		
Ordinary shares: $0.001 par value per share; 90,000,000 shares authorized; 41,116,654 and 38,567,467 shares issued and outstanding, respectively	$ 41,117	$ 38,567
Convertible series "A" preferred shares: $0.001 par value per share; 10,000,000 shares authorized; 5,500,000 and 5,500,000 shares issued and outstanding, respectively	5,500	5,500
Additional Paid in Capital	2,763,597	907,456
Accumulated deficit	(3,335,478)	(2,481,117)
Accumulated other comprehensive income	87,904	112,761
Total shareholders' deficit	**(437,360)**	**(1,416,833)**
Total Liabilities and Shareholders´ Deficit	**$ 2,963,532**	**$ 1,634,154**

The accompanying notes are an integral part of these consolidated financial statements.

Duo World, Inc. and Subsidiaries
Consolidated Statements of Operations and Comprehensive Income (Loss)
(Unaudited)

	For the three months ended,		For the six months ended,	
	September 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016
Revenue	$ 170,326	$ 312,390	$ 381,138	$ 641,117
Cost of revenue (exclusive of depreciation presented below)	(74,919)	(66,095)	(161,669)	(142,324)
Gross Income	**95,407**	**246,295**	**219,469**	**498,793**
Operating Expenses				
Research and Development	-	12,615	-	19,626
General and Administrative	176,256	128,714	324,825	514,226
Salaries and casual wages	93,754	113,360	178,005	208,860
Selling and distribution	2,828	3,317	5,883	6,631
Professional services - Investment advisory	438,598	-	438,598	-
Depreciation	6,288	8,701	13,379	48,424
Amortization of Web Site Development	383	480	764	1,226
Allowance for bad debts	47,635	44,820	78,237	44,820
Total operating expenses	**765,742**	**312,007**	**1,039,690**	**843,813**
Loss from operations	**$ (670,335)**	**$ (65,712)**	**$ (820,221)**	**$ (345,020)**
Other income (expenses):				
Interest expense	$ (18,305)	$ (5,484)	$ (36,156)	$ (10,476)
Gain on disposals of property and equipment	-	-	32	-
Other income	18	21	620	245
Bank charges	(1,095)	(524)	(2,089)	(1,728)
Exchange (loss) / gain	(2,771)	6,008	3,453	8,660
Total other income (expenses)	**(22,153)**	**21**	**(34,140)**	**(3,299)**
Loss before provision for income taxes:	**$ (692,488)**	**$ (65,691)**	**$ (854,361)**	**$ (348,319)**
Provision for income taxes	**-**	**-**	**-**	**-**
Net loss	**$ (692,488)**	**$ (65,691)**	**$ (854,361)**	**$ (348,319)**
Basic and Diluted Loss per Share	**$ (0.02)**	**$ (0.00)**	**$ (0.02)**	**$ (0.01)**
Basic and Diluted Weighted Average Number of Shares Outstanding	**39,682,783**	**38,567,467**	**39,128,172**	**38,498,096**
Comprehensive Income (Loss):				
Unrealized foreign currency translation (loss) gain	$ (18,895)	$ 5,577	$ (24,856)	$ 15,004
Net loss	(692,488)	(65,691)	(854,361)	(348,319)
Comprehensive loss	**$ (711,383)**	**$ (60,114)**	**$ (879,217)**	**$ (333,315)**

The accompanying notes are an integral part of these consolidated financial statements.

Duo World, Inc. and Subsidiaries
Consolidated Statements of Cash Flows
(Unaudited)

	For the six months ended, September 30, 2017	For the six months ended, September 30, 2016
Operating activities:		
Loss before provision for income taxes	**$ (854,361)**	**$ (348,319)**
Adjustments to reconcile loss before provision for income taxes to cash provided by operating activities:		
Depreciation and amortization	14,143	49,650
Bad debts	78,237	44,820
Gain on disposals of property and equipment	(32)	-
Previous period adjustments	-	42,146
Stock issued as payment for accrued interest	-	15,000
Stock issued for services	1,858,690	223,600
Product development cost written off	56,114	70,067
Changes in assets and liabilities:		
Accounts receivable - trade	(42,155)	(198,883)
Prepayments	(1,304,458)	17,293
Deferred taxes	268	-
Accounts Payable	44,331	(110,503)
Payroll, employee benefits, severance	111,113	76,079
Short term overdraft	27,418	126,745
Due to related parties	210,263	17,878
Taxes payable	19,881	18,422
Accruals and other payables	(71,607)	(5,053)
	$ 147,845	**$ 38,942**
Investing activities:		
Acquisition of Property and Equipment	(629)	(9,357)
Sale proceeds of disposal of Property and Equipment	282	-
Intangible assets	(139,020)	(196,595)
Net cash used in investing activities	**$ (139,367)**	**$ (205,952)**
Financing activities:		
Proceeds from issuance of common Stock	-	142,001
Additional Paid in Capital	-	(74,197)
Net cash provided by financing activities	**$ -**	**$ 67,804**
Effect of exchange rate changes on cash	**(10,563)**	**36,975**
Net decrease in cash	**$ (2,085)**	**$ (62,231)**
Cash, beginning of period	**25,084**	**91,106**
Cash, end of period	**$ 22,999**	**$ 28,875**
Supplemental disclosure of cash flow information:		
Cash paid for interest	$ (36,156)	$ (10,476)
Cash paid for income taxes	$ -	$ -
Supplemental disclosure of non-cash investing and financing activities:		

Common shares issued for services received	$ 1,858,690	$ 214,600

The accompanying notes are an integral part of these consolidated financial statements.

Note 1 - Organization and Nature of Operations

Duo World Inc. (hereinafter referred to as “Successor” or “Duo”) a reporting company, was organized under the laws of the state of Nevada on September 19, 2014. Duo Software (Pvt.) Limited (hereinafter referred to as “DSSL” or “Predecessor”), a Sri Lanka based company, was incorporated on 22nd September 2004, in the Democratic Socialist Republic of Sri Lanka, as a limited liability company. Duo Software (Pte.) Limited (hereinafter referred to as “DSS” or “Predecessor”), a Singapore based company, was incorporated on June 05, 2007 in the Republic of Singapore as a limited liability company. DSS also includes its wholly owned subsidiary, Duo Software India (Private) Limited (India) which was incorporated on August 30, 2007, under the laws of India.

On December 03, 2014, Duo Software (Pvt.) Limited (DSSL) and Duo Software Pte. Limited (DSS) executed a reverse recapitalization with Duo World Inc. (Duo). Duo (Successor) is a holding company that conducts operations through its wholly owned subsidiaries DSSL and DSS (Predecessors) in Sri Lanka, Singapore and India. The consolidated entity is referred to as “the Company”. The Company, having its development center in Colombo, has been in the space of developing products and services for the subscription-based industry. The Company’s application (“Duo Subscribe”, “Duo Contact”, “DigIn”, “FaceTone”, “CloudCharge” and “SmoothFlow”) provide solutions in the space of Data Analytics, Customer Life Cycle Management, Subscriber Billing and Work Flow.

Note 2 - Basis of Presentation

The accompanying unaudited consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America and the rules and regulations of the United States Securities and Exchange Commission for interim financial information. Accordingly, they do not include all the information and disclosures necessary for a comprehensive presentation of consolidated financial position, results of operations, or cash flows. It is management’s opinion, however, that all material adjustments (consisting of normal recurring adjustments) have been made which are necessary for a fair consolidated financial statements presentation.

The unaudited interim consolidated financial statements should be read in conjunction with the Company’s Annual Report, which contains the audited consolidated financial statements and notes thereto, together with the Management’s Discussion and Analysis, for the year ended March 31, 2017. The interim results for the period ended September 30, 2017 are not necessarily indicative of results for the full fiscal year.

Going Concern

The accompanying consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. These consolidated financial statements do not include any adjustments relating to the recovery of the recorded assets or the classification of the liabilities that might be necessary should the Company be unable to continue as a going concern.

As reflected in the accompanying consolidated financial statements, the Company had a net loss of $692,488 and $854,361 for the three and six months ended September 30, 2017, respectively, net cash provided by operations of $147,845 and $38,942 in six months ended September 30, 2017 and 2016, respectively, a working capital of $17,076 and a working capital deficit of $907,817 as of September 30, 2017 and March 31, 2017 respectively, outstanding statutory dues towards employee provident fund and employee trust fund of $335,644 and $269,781 as of September 30, 2017 and March 31, 2017, respectively, and a stockholders´ deficit of $437,360 and $1,416,833 as of September 30, 2017 and March 31.2017, respectively.

Operating losses during the three and six months ended September 30, 2017 were mainly due to a one-time expenditure incurred for professional fee relating to investment advisory services.

Furthermore, the Company has entered into contracts with the clients for the products launched during the year 2016-17 and our management is believes that these projects should generate sufficient revenues to offset the operating losses in the recent future; however, management cannot guarantee such results.

Note 3 - Summary of Significant Accounting Policies

Basis of Consolidation

Duo World Inc. is the parent company of its 100% subsidiaries Duo Software (Pvt.) Limited (DSSL) and Duo Software Pte Limited (DSS). Duo Software Pte. Limited is the parent company of its 100% subsidiary Duo Software India (Private) Limited (India). All significant inter-company accounts and transactions have been eliminated in consolidation.

Use of Estimates

The preparation of consolidated Financial Statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Making estimates requires management to exercise significant judgment. It is least reasonably possible that the estimate of the effect of a condition, situation or set of circumstances that existed at the date of the financial statements, which management considered in formulating its estimate could change in the near term due to one or more future non-confirming events. Accordingly, the actual results could differ from those estimates. The most significant estimates relate to the timing and amounts of revenue recognition, the recognition and disclosure of contingent liabilities and the collectability of accounts receivable.

Risks and Uncertainties

The Company's operations are subject to significant risk and uncertainties including financial, operational, competition and potential risk of business failure. Product revenues are concentrated in the application software industry, which is highly competitive and rapidly changing. Significant technological changes in the industry or customer requirements, or the emergence of competitive products with new capabilities or technologies, could adversely affect operating results.

Concentrations of Credit Risk

Financial instruments that potentially subject the Company to significant concentrations of credit risk consist principally of cash and cash equivalents and accounts receivable. The Company maintains cash and cash equivalents with various high quality financial institutions and we monitor the credit ratings of those institutions. The Company's sales are primarily to the companies located in Sri Lanka, Singapore, Indonesia and India. The Company performs ongoing credit evaluations of our customers, and the risk with respect to trade receivables is further mitigated by the diversity, both by geography and by industry, of the customer base. Accounts receivable are due principally from the companies under stated contract terms.

Provisions

A provision is recognized when the Company has present obligations as a result of a past event. It is probable that an outflow of resources embodying economic benefits will be required to settle the obligations and reliable estimate can be made of amount of the obligation. Provisions are not discounted at their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Accounts Receivable and Provision for Doubtful Accounts

The Company recognizes accounts receivable in connection with the products sold and services provided and have strong policies and procedures for the collection of receivables from its clients. However, there are inevitably occasions when the receivables due to the Company cannot be collected and, therefore, have to be written off as bad debts. While the debt collection process is being pursued, an assessment is made of the likelihood of the receivable being collectable. A provision is, therefore, made against the outstanding receivable to reflect that component that may not become collectable. The Company is in the practice of provisioning for doubtful debts based on the period outstanding as per the following:

Trade receivables outstanding:	Provision
Over 24 months	100%
Over 18 months	50%
Over 15 months	25%
Over 12 months	10%
Over 9 months	5%

Cash Equivalents

The Company considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. As of September 30, 2017 and March 31, 2017, there were no cash equivalents.

Foreign Currency Translation

The functional currencies of the Company's foreign subsidiaries are their local currencies. For financial reporting purposes, these currencies have been translated into United States Dollars ($) and/or USD as the reporting currency. All assets and liabilities denominated in foreign functional currencies are translated into U.S. dollars at the closing exchange rate on the balance sheet date and equity balances are translated at historical rates. Revenues, costs and expenses in foreign functional currencies are translated at the average rate of exchange during the period. Translation adjustments arising from the use of different exchange rates from period to period are included as a component of shareholders' deficit as "accumulated other comprehensive income (loss)". Gains and losses resulting from foreign currency transactions are included in the statement of operations and comprehensive income / (loss) as other income (expense).

Fixed assets

Fixed assets (including leasehold improvements) are stated at cost, net of accumulated depreciation and amortization. Depreciation is computed utilizing the straight-line method over the estimated useful lives of the related assets. The estimated salvage value is considered as NIL. Amortization of leasehold improvements is computed utilizing the straight-line method over the estimated benefit period of the related assets, which may not exceed 15 years, or the lease term, if shorter. Repairs and maintenance expenditures, which are not considered improvements and do not extend the useful life of the property and equipment, are expensed as incurred. In case of sale or disposal of an asset, the cost and related accumulated depreciation are removed from the consolidated financial statements.

Useful lives of the fixed assets are as follows:

Furniture & Fittings	5 years
Improvements to lease hold assets	Lease term
Office equipment	5 years
Computer equipment (Data Processing Equipment)	3 years
Website development	4 years

Impairment of Long-Lived Assets

The Company reviews long-lived assets, such as property, plant, and equipment for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized by the amount by which the carrying amount of the asset exceeds the fair value of the asset. Assets to be disposed of by sale would be separately presented in the balance sheet and reported at the lower of the carrying amount or fair value less costs related to the sale, and are no longer depreciated. The assets and liabilities of a group classified as held for sale would be presented separately in the appropriate asset and liability sections of the balance sheet.

Fair Value Measurements and Fair Value of Financial Instruments

The Company measures assets and liabilities at fair value based on an expected exit price as defined by the authoritative guidance on fair value measurements, which represents the amount that would be received on the sale of an asset or paid to transfer a liability, as the case may be, in an orderly transaction between market participants. As such, fair value may be based on assumptions that market participants would use in pricing an asset or liability.

The estimated fair value of certain financial instruments, including cash and cash equivalents, accounts receivable, accounts payable and accrued expenses are carried at historical cost basis, which approximates their fair values because of the short-term nature of these instruments.

Revenue Recognition, Deferred& Accrued Revenue

The Company recognizes revenue from the sale of software licenses and related services in accordance with ASC Topic 605, Revenue Recognition. ASC Topic 605 sets forth guidance as to when revenue is realized or realizable and earned, which is generally, when all of the following criteria are met:

- Persuasive evidence of an arrangement exists. Evidence of an arrangement generally consists of a contract or purchase order signed by the customer.

- Delivery has occurred or services have been performed. Services are considered delivered as the work is performed or, in the case of maintenance, over the contractual service period. The Company uses written evidence of customer acceptance to verify delivery or completion of any performance terms.

- The seller's price to the buyer is fixed or determinable. The Company assesses whether the sales price is fixed or determinable based on payment terms associated with the transaction and whether the sales price is subject to refund or adjustment.

- Collectability is reasonably assured. The Company assesses collectability primarily based on the creditworthiness of the customer as determined by credit checks and related analysis, as well as the customer's payment history, economic conditions in the customer's industry and geographic location and general economic conditions. If we do not consider collection of a fee to be probable, we defer the revenue until the fees are collected, provided all other conditions for revenue recognition have been met.

The Company typically licenses its products on a per server, per user basis with the price per customer varying based on the selection of the products licensed, the number of site installations and the number of authorized users. Currently, Duo is offering two products from which it generates its revenue; they are "Duo Subscribe" and "FaceTone". Duo sells its software license along with software implementation and annual maintenance services under an agreement with various clients. The Company raises invoices on a key milestone basis, as defined in the agreement. Revenue recognition is based on stage of completion basis. Revenues from consulting and training services are typically recognized as the services are performed.

The Company offers annual maintenance programs on its licenses that provide for technical support and updates to the Company's software products. Maintenance fees are bundled with license fees in the initial licensing period and charged separately for renewals of annual maintenance in subsequent years. Fair value for maintenance is based upon either renewal rates stated in the contracts or separate sales of renewals to customers. Revenue is recognized ratably, or daily, over the term of the maintenance period, which is typically one year.

For the six months ended September 30, 2017 and 2016, the Company received only cash as consideration for sale of licenses and related services rendered.

For the six months ended September 30, 2017 and 2016, the Company had following concentrations of revenue with customers:

Customer	September 30, 2017	September 30, 2016
DEN Networks	50.03%	25.41%
Commercial Bank	14.29%	0%
Topaz TV	8.28%	7.94%
Development Services	7.98%	0%
BOC	4.70%	2.88%
Mediatama	3.30%	2.04%
Meghbela	3.20%	0%
Singer Sri Lanka	2.18%	0.80%
Megamedia	0%	37.00%
Hutchison	0%	13.09%
HelloCorp	0%	3.28%
Other misc. customers	6.04%	7.56%
	100%	**100%**

Deferred Revenue - Deferred revenue represents advance payments for software licenses, services, and maintenance billed in advance of the time revenue is recognized. As at September 30, 2017 and March 31, 2017, deferred revenue was $10,654 and $16,420, respectively.

Accrued Revenue/Unbilled Accounts Receivable - Accrued revenue/Unbilled accounts receivable primarily occur due to the timing of the respective billings, which occur subsequent to the end of each reporting period. As at September 30, 2017 and March 31, 2017, unbilled/accrued revenues were $65,663 and $70,174, respectively.

Cost of Revenue

Cost of revenue mainly includes purchases, product implementation costs, amortization of product development, developer support and implementation, and consultancy fees related to the products offered by Duo. The aggregate cost related to the software implementations, including support and consulting services pertaining to the revenue recognized during the reporting period, is recognized as Cost of Revenue.

Product research and development

Product research and development expenses consist primarily of salary and benefits for the Company's development and technical support staff, contractors' fees and other costs associated with the enhancements of existing products and services and development of new products and services. Costs incurred for software development prior to technological feasibility are expensed as product research and development costs in the period incurred. Once the point of technological feasibility is reached, which is generally upon the completion of a working prototype that has no critical bugs and is a release candidate development costs are capitalized until the product is ready for general release and are classified within "Intangibles assets" in the accompanying consolidated balance sheets. The Company amortizes capitalized software development costs using the greater of the ratio of the products' current gross revenues to the total of current gross revenues and expected gross revenues or on a straight-line basis over the estimated economic life of the related product, which is typically four years.

During the six months ending on September 30, 2017 and 2016, product research and development cost of $139,020 and $196,595, respectively, were capitalized as "Intangible assets". Product research and development costs of the "SaaS" version of "FaceTone" were also capitalized during the six months ended September 30, 2017.

Advertising Costs

The Company expenses advertising costs as incurred. No advertising expenses were incurred during the six months ended September 30, 2017 and 2016.

Comprehensive Income

The Comprehensive Income Topic of the FASB Accounting Standards Codification establishes standards for reporting and presentation of comprehensive income and its components in a full set of financial statements. Comprehensive income from April 1, 2013 through September 30, 2017, includes only foreign currency translation gains (losses), and is presented in the Company's consolidated statements of comprehensive income.

Changes in Accumulated Other Comprehensive Income (Loss) by Component during the periods ending on September 30, 2017 and March 31, 2017 were as follows:

Foreign Currency Translation gains (losses)		
Balance, March 31, 2017	**$**	**112,761**
Translation rate gain for the period		(5,962)
Balance, June 30, 2017	**$**	**106,799**
Translation rate loss during the period		(18,895)
Balance, September 30, 2017	**$**	**87,904**

Recent Accounting Pronouncements

The Company has reviewed accounting pronouncements that were issued as of September 30, 2017 and believes that these pronouncements are not applicable to the Company, or that they will not have a material impact on the Company's financial position or results of operations.

Note 4 – Accounts Receivable

Following is a summary of accounts receivable as at September 30, 2017 and March 31, 2017;

	September 30, 2017	March 31, 2017
Accounts receivable – Trade	$ 797,782	$ 754,783
Less: Provision for doubtful debts	(212,194)	(133,113)
	$ 585,588	**$ 621,670**

At September 30, 2017 and March 31, 2017, the Company had following concentrations of accounts receivable with customers:

Customer	September 30, 2017	March 31, 2017
Megamedia	57.08%	63.68%
DEN Networks	16.68%	15.99%
Topas	7.56%	7.24%
Commercial Bank	5.03%	0%
Dish Media	3.80%	5.88%
Bank of Ceylon	3.11%	0%
Mediatama	1.78%	1.29%
Meghbela	1.33%	0.74%
MediaNet	0.90%	1.14%
Sri Lanka Telecom	0.74%	1.42%
Other receivables	1.98%	2.62%
	100%	**100%**

Note 5 – Prepaid Expenses and Other Current Assets

Following is a summary of prepaid expenses and other current assets as at September 30, 2017 and March 31, 2017;

	September 30, 2017	March 31, 2017
Security deposits	$ 18,711	$ 29,621
WHT receivable	194,037	201,362
Staff loan and advances	-	100
Travel advance	57	295
Supplier advance	3,481	4,398
ESC receivable	5,786	5,826
Insurance prepayment	356	1,435
Prepayments	18,601	10,580
Prepayment for other professional services	1,315,793	-
Other receivables	9,523	3,759
	$ 1,566,345	**$ 257,376**

Note 6 – Property and Equipment

Following table illustrates net book value of property and equipment as at September 30, 2017 and March 31, 2017;

	September 30, 2017	March 31, 2017
Office equipment	$ 9,399	$ 9,465
Furniture & fittings	138,409	139,377
Computer equipment (Data Processing Equipment)	128,623	131,909
Improvements to lease hold assets	1,881	1,894
Website Development	13,682	13,768
	291,994	296,413
Accumulated depreciation and amortization	(258,304)	(248,326)
Net fixed assets	**$ 33,690**	**$ 48,087**

Depreciation and amortization expense for the Six months ended September 30, 2017 and 2016 was $14,143 and $49,650, respectively.

Note 7 – Intangible Assets

Intangible assets comprise of capitalization of certain costs pertaining to product development, which meet the criteria as set forth above under Note 3. Following table illustrates the movement in intangible assets as at September 30, 2017 and March 31, 2017:

	September 30, 2017	March 31, 2017
Opening Balance	$ 580,899	$ 382,352
Add: Costs capitalized during the year	139,020	365,216
Less: Amount Written-off	(56,114)	(147,326)
Translational gain	(5,154)	(19,343)
Net Intangible Assets	**$ 658,651**	**$ 580,899**

Note 8 – Short Term Borrowings

Following is a summary of short-term borrowings as at September 30, 2017 and March 31, 2017;

	September 30, 2017	March 31, 2017
PAN Asia Bank – Short term overdraft	$ 480,758	$ 460,088
Prosperous Capital	8,934	8,997
Commercial bank	11,564	4,753
	$ 501,256	**$ 473,838**

Bank overdraft facility, obtained from Pan Asia Banking Corporation PLC, contains an average interest rate of 15.55% per annum.

Note 9 – Due to Related Parties

Due to Related Parties – Short term

From time to time, the Company receives advances from related parties such as officers, directors or principal shareholders in the normal course of business. Loans and advances received from related parties are unsecured and non-interest bearing. Balances outstanding to these persons for less than 12 months are presented under current liabilities in the accompanying consolidated financial statements. As of September 30, 2017 and March 31, 2017, the Company owed directors $572,047 and $361,785, respectively.

Due to Related Parties – Long term

Balances outstanding to related parties for more than 12 months are presented under long-term liabilities in the accompanying consolidated financial statements. As of September 30, 2017 and March 31, 2017, the Company owed directors $1,177,373 and $1,168,866, respectively.

Note 10 – Taxes Payable

The taxes payable comprise of items listed below as at September 30, 2017 and March 31, 2017;

	September 30, 2017	March 31, 2017
PAYE	$ 95,799	$ 73,611
VAT payable	-	14
Stamp Duty Payable	39	48
Tax payable	6,712	8,996
	$ 102,550	**$ 82,669**

Note 11 – Accruals and Other Payables

Following is a summary of accruals and other payables as at September 30, 2017 and March 31, 2017;

	September 30, 2017	March 31, 2017
Audit fee payable	$ 17,705	$ 20,906
Accruals	7,063	81,696
Other payables	79,137	67,144
	$ 103,905	**$ 169,746**

Note 12 – Cost of Revenue

Following is the summary of cost of revenue for the six months ending September 30, 2017 and 2016;

	September 30, 2017	September 30, 2016
Purchases	$ 23,178	$ 19,696
Implementation cost	15,575	22,904
Product development cost written off	56,114	69,996
Consultancy, contract basis employee cost	7,468	19,007
Support services	34,723	10,721
Development services	21,361	-
Other external services	3,250	-
	$ 161,669	**$ 142,324**

Note 13 – General and Administrative Expenses

Following is the summary of general and administrative expenses for the six months ending September 30, 2017 and 2016;

	September 30, 2017	September 30, 2016
Directors remuneration	$ 75,952	$ 52,741
EPF	22,125	23,607
ETF	5,531	5,902
Bonus	-	24,961
Vehicle allowance	18,842	28,614
Staff welfare	6,578	8,748
Penalties / Late payment charges	817	2,951
Office rent	35,684	35,892
Electricity charges	7,822	8,214
Office maintenance	6,057	8,164
Telephone charges	5,232	6,793
Travelling expense	1,633	1,718
Audit fee	5,138	2,564
Printing and stationery	420	886
Office expenses	986	1,252
Computer maintenance	2,699	3,697
Internet charges	6,530	6,634
Courier and postage	396	418
Security charges	1,854	1,696
Training and development	-	130
Insurance expense	1,046	1,172
Professional fees	10,015	25,372
Gratuity	3,640	-
Secretarial fees	351	411
Irrecoverable tax	20,041	23,249
Software Rentals	12,952	12,993
Other professional services	5,145	219,650
Consulting fee	51,300	-
Transfer agent fees	865	1,235
Filling fee and subscription	3,933	2,756
Stamp duty expenses	852	451
Legal fee	4,500	1,005
Investor relations	4,395	-
Other expenses	1,493	350
	$ 324,824	**$ 514,226**

Note 14 – Selling and Distribution Expenses

Following is the summary of selling and distribution expenses for the six months ending on September 30, 2017 and 2016;

	September 30, 2017	September 30, 2016
Marketing Expenses	$ 444	$ 570
Vehicle hire charges	3,108	3,221
Foreign Travel	-	424
Vehicle Running Expense	2,331	2,416
	$ 5,883	**$ 6,631**

Note 15 - Equity

(A) Common Stock

As at September 30, 2017, the Company had 90,000,000 authorized shares of common stock having a par value of $0.001. The shares of Common Stock are designated with the following rights:

- ***Voting rights:*** Common shareholders can attend at annual or special meeting of shareholders to cast vote or use a proxy.
- ***Right to elect board of directors:*** Common shareholders control the Company through their right to elect the Company's board of directors.
- ***Right to share income and assets:*** Common shareholders have the right to share the Company's earnings equally on a per share basis in the form of dividends. Similarly, in the event of liquidation, shareholders have claims on assets that remain after meeting the obligations to pay accrued taxes, accrued salary and wages, creditors including bondholders (if any) and preferred shareholders. Thus, common shareholders are residual claimants of the Company's income and assets.

During the six months ended September 30, 2017, the Company issued following common shares:

Date	Type	Shares	Valuation
06/30/2017	Stock issued to Consulting for Strategic Growth 1, Ltd.	140,000	$ 51,800
08/23/2017	Stock issued to Maxim Partners LLC.	1,391,816	$ 1,043,862
08/23/2017	Stock issued to Dayspring Capital LLC.	947,371	$ 710,528
09/18/2017	Stock issued to Consulting for Strategic Growth 1, Ltd.	70,000	$ 52,500

(B) Preferred Stock

As at September 30, 2017, the Company had 10,000,000 authorized series "A" preferred shares having a par value of $0.001 per share. The preferred shares are designated with the following conversion rights:

- One preferred share will convert into ten (10) common shares no earlier than 12 months and 1 day after the issuance.

During the six months ended September 30, 2017, the Company has not issued any new preferred shares.

Note 16 - Commitments and Contingencies

The Company consults with legal counsel on matters related to litigation and other experts both within and outside the Company with respect to matters in the ordinary course of business. The Company does not have any contingent liabilities in respect of legal claims arising in the ordinary course of business.

Duo entered into a lease commitment for its Sri Lanka office amounting to $119,119 with Happy Building Management Company for a period of 3 years in 2016. Duo entered into another lease commitment for its Indian office amounting to $1,248 on April 1, 2017 with Regus Office Center Services Pvt. Limited for a period of 1 year.

Guarantee provided by the company existed on the balance sheet date are as follows:

Date	Description		Amount
09/23/2011	Performance Bond for BOC Tender	$	9,940
05/15/2013	Guarantee for Lanka Clear		2,089
07/31/2014	Guarantee for SLT		563
08/10/2015	Guarantee for LOLC		1,588
		$	**14,180**

The company has not provided any guarantees other than those mentioned above.

Note 17 - General

Figures have been rounded off to the nearest dollar and the comparative figures have been rearranged / reclassified, wherever necessary, to facilitate comparison.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Cautionary Forward - Looking Statement

The following discussion and analysis of the results of operations and financial condition of Duo World, Inc. should be read in conjunction with the unaudited financial statements, and the related notes. References to "we," "our," or "us" in this section refers to the Company and its subsidiaries. Our discussion includes forward-looking statements based upon current expectations that involve risks and uncertainties, such as our plans, objectives, expectations and intentions. We use words such as "anticipate," "estimate," "plan," "project," "continuing," "ongoing," "expect," "believe," "intend," "may," "will," "should," "could," and similar expressions to identify forward-looking statements.

Certain matters discussed herein may contain forward-looking statements that are subject to risks and uncertainties. Such risks and uncertainties include, but are not limited to, the following:

- *the volatile and competitive nature of our industry,*
- *the uncertainties surrounding the rapidly evolving markets in which we compete,*
- *the uncertainties surrounding technological change of the industry,*
- *our dependence on its intellectual property rights,*
- *the success of marketing efforts by third parties,*
- *the changing demands of customers and*
- *the arrangements with present and future customers and third parties*

Should one or more of these risks or uncertainties materialize or should any of the underlying assumptions prove incorrect, actual results of current and future operations may vary materially from those anticipated.

Our MD&A is comprised of the following sections:

A. Business Overview

B. Critical Accounting Policies

C. Results of operations for the three months ended September 30, 2017 and September 30, 2016

D. Results of operations for the six months ended September 30, 2017 and September 30, 2016

E. Financial condition as at September 30, 2017 and March 31, 2017

F. Liquidity and capital reserves

G. Milestones for next twelve months

A. ***Business overview:***

Duo World, Inc. (hereinafter referred to as "Successor" or "Duo"), a reporting Company since September 26, 2016, was organized under the laws of the state of Nevada on September 19, 2014. Duo Software (Pvt.) Limited (hereinafter referred to as "DSSL" or "Predecessor"), a Sri Lanka based company, was incorporated on September 22, 2004, in the Democratic Socialist Republic of Sri Lanka, as a limited liability company. Duo Software (Pte.) Limited (hereinafter referred to as "DSS" or "Predecessor"), a Singapore based company, was incorporated on June 5, 2007 in the Republic of Singapore as a limited liability company. DSS also includes its wholly-owned subsidiary, Duo Software India (Private) Limited (India), which was incorporated on August 30, 2007, under the laws of India.

Effective December 3, 2014, DSSL and DSS executed a reverse recapitalization with Duo. Duo ("Successor") is a holding company that conducts operations through its wholly-owned subsidiaries, DSSL and DSS ("Predecessors") in Sri Lanka, Singapore and India. The consolidated entity is referred to as the "Company." The Company, having its development center in Colombo, Sri Lanka, specializes in the space of Communication and Collaboration Platform & Customer Life Cycle Management, Subscriber Management Billing, Business Intelligence and Workflow Management in the Asia Pacific Region. Driven by innovation, Duo World has served the enterprises in many ways, including efficiency, cost reduction, revenue optimization and continuous value addition to their product or service offerings. Duo World has been in the business of developing products and services for the subscription based industry.

Our authorized capital consists of 100,000,000 shares, including 90,000,000 shares of common stock, $0.001 par value, and 10,000,000 shares of preferred stock, $0.001 par value.

B. *Critical Accounting Policies:*

We prepare our consolidated financial statements in accordance with GAAP. The preparation of consolidated financial statements also requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, costs and expenses and related disclosures. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances. Actual results could differ significantly from the estimates made by our management. To the extent that there are differences between our estimates and actual results, our future financial statement presentation, financial condition, results of operations and cash flows will be affected. We believe that the accounting policies discussed below are critical to understanding our historical and future performance, as these policies relate to the more significant areas involving management's judgments and estimates.

Critical accounting policies and estimates are those that we consider the most important to the portrayal of our financial condition and results of operations because they require our most difficult, subjective or complex judgments, often as a result of the need to make estimates about the effect of the matters that are inherently uncertain.

Revenue Recognition

The Company recognizes revenue from the sale of software licenses and related services in accordance with ASC Topic 605, Revenue Recognition. ASC Topic 605 sets forth guidance as to when revenue is realized or realizable and earned, which is generally, when all of the following criteria are met:

- Persuasive evidence of an arrangement exists. Evidence of an arrangement generally consists of a contract or purchase order signed by the customer.

- Delivery has occurred or services have been performed. Services are considered delivered as the work is performed or, in the case of maintenance, over the contractual service period. The Company uses written evidence of customer acceptance to verify delivery or completion of any performance terms.

- The seller's price to the buyer is fixed or determinable. The Company assesses whether the sales price is fixed or determinable based on payment terms associated with the transaction and whether the sales price is subject to refund or adjustment.

- Collectability is reasonably assured. The Company assesses collectability primarily based on the creditworthiness of the customer as determined by credit checks and related analysis, as well as the customer's payment history, economic conditions in the customer's industry and geographic location and general economic conditions. If we do not consider collection of a fee to be probable, we defer the revenue until the fees are collected, provided all other conditions for revenue recognition have been met.

The Company typically licenses its products on a per server, per user basis with the price per customer varying based on the selection of the products licensed, the number of site installations and the number of authorized users. Currently, Duo is offering two products from which it generates its revenue; they are" "Duo Subscribe" and "FaceTone." Currently company is not marketing its old product "Duo CLM" and also it has updated Duo CLM" customers with "FaceTone" which is the new version introduced replacing "Duo CLM". Duo sells its software licenses of FaceTone along with software implementation and annual maintenance services under an agreement with various clients. The Company raises invoices on key milestone basis as defined in the agreement with the customer. Revenue recognition is based on stage of completion.

The Company offers annual maintenance programs on its licenses that provide for technical support and updates to the Company's software products. Maintenance fees are bundled with license fees in the initial licensing period and charged separately for renewals of annual maintenance in subsequent years. Fair value for maintenance is based upon either renewal rates stated in the contracts or separate sales of renewals to customers. Revenue is recognized ratably, or daily, over the term of the maintenance period, which is typically one year.

Provisions

A provision is recognized when the Company has present obligations as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations and reliable estimates can be made of amount of the obligation. Provisions are not discounted at their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Income Taxes

The Company accounts for income taxes using the asset and liability method. Under the asset and liability method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carry forwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

Quantitative and Qualitative Disclosure about Market Risk

We are exposed to financial market risks, primarily changes in interest rates. Market risk is the potential loss arising from adverse changes in market rates and prices.

Foreign Currency Exchange Risk

Our results of operations and cash flows are subject to fluctuations due to changes in foreign currency exchange rates. All of our revenues are normally generated in U.S. dollars or Sri Lankan rupees. Our expenses are generally denominated in the currencies in which our operations are located, which are primarily in Asia and to a lesser extent in the U.S. Our results of operations and cash flows are, therefore, subject to fluctuations due to changes in foreign currency exchange rates and may be adversely affected in the future due to changes in foreign exchange rates. To date, we have not engaged in any foreign currency hedging strategies. As our international operations grow, we plan to generate revenues in foreign currencies and we will continue to reassess our approach to manage our risk relating to fluctuations in currency rates.

Inflation

We do not believe that inflation had a material effect on our business, financial condition or results of operations in the last three fiscal years. If our costs were to become subject to significant inflationary pressures, we may not be able to fully offset such higher costs through price increases. Our inability or failure to do so could harm our business, financial condition and results of operations.

C. Results of operations for the three months ended September 30, 2017 and September 30, 2016:

The Company had revenues amounting to $170,326 and $312,390, respectively, for three months ended September 30, 2017 and September 30, 2016. Following is a breakdown of revenues for both periods:

	September 30, 2017	September 30, 2016	Changes
DuoSubscribe	$ 115,983	$ 230,805	$ (114,822)
FaceTone	35,223	4,791	30,432
DuoCLM	-	74,032	(74,032)
Software hosting and reselling - FaceTone (Beta/testing version)	4,011	2,762	1,249
Development services	15,109	-	15,109
	$ 170,326	**$ 312,390**	**$ (142,064)**

Total revenue for the three months ended September 30, 2017 decreased by 45% when compared to September 30, 2016. The decrease is mainly due to the drop in revenue generated by the legacy products, DuoCLM and DuoSubscribe. This is as a result of the Company's decision to phase out the legacy products.

The Company does not market or sell DuoCLM and DuoSubscribe, as the newer products are being introduced to the market. FaceTone is an advanced version of DuoCLM and it is generating a lot of interest in the market because of its superior features and flexibility. During the three months ended September 30, 2017, revenue from FaceTone increased by 635% signifying the favorable market for the new product.

During the three months ended September 30, 2017, the Company was able to attract number of high profile and profitable customers for the product "FaceTone". Most of these sales leads are at agreement finalization stage, and revenue would be recognized in the subsequent quarters.

Fully owned subsidiary of Duo World Inc., Duo Software won a 'Merit Award' at the Asia Pacific ICT Alliance (APICTA) Awards, held in December 2016 in Taipei, just months after winning 'Gold' and 'Merit' Awards at the National Best Quality Software Awards (NBQSA) for the new products.

For the three months ended September 30, 2017 and September 30, 2016, the Company had the following concentrations of revenues with customers:

Customer	September 30, 2017	September 30, 2016
A	47.74%	24.53%
B	16.87%	0%
C	9.22%	4.24%
D	8.87%	0%
E	0%	39.08%
Other misc. customers	17.30%	32.15%
	100%	100%

The total cost of sales amounted to $74,919 and $66,095 for the three months ended September 30, 2017 and September 30, 2016, respectively. The following table sets forth the Company's cost of sales breakdown for both periods:

	September 30, 2017	September 30, 2016	Change
Purchases	$ 11,927	$ 12,174	$ (247)
Implementation and onsite support cost	6,373	12,150	(5,777)
Product development cost written off	28,730	23,975	4,755
Consultancy, contract basis employee cost	643	7,495	(6,852)
Support services	17,517	10,301	7,216
Development services	9,729	-	9,729
Total cost of sales	**$ 74,919**	**$ 66,095**	**$ 8,824**

Cost of sales has marginally increased by 13% in the three months ended September 30, 2017 when compared to the three months ended September 30, 2016. Cost of development services was the main contributor to the increase in cost of sales.

The gross income for the three months ended September 30, 2017 and September 30, 2016 amounted to $95,407 and $246,295, respectively.

The total operating expenditures amounted to $765,742 and $312,007 for the three months ended September 30, 2017 and September 30, 2016, respectively. The following table sets forth the Company's operating expenditure analysis for both periods:

	September 30, 2017	September 30, 2016	Change
Research and development	$ -	$ 12,615	$ (12,615)
General and administrative	176,256	128,714	47,542
Salaries and benefits	93,754	113,360	(19,606)
Selling and distribution	2,828	3,317	(489)
Professional services - Investment advisory	438,598	-	438,598
Depreciation	6,288	8,701	(2,413)
Amortization of web site development	383	480	(97)
Allowance for bad debts	47,635	44,820	2,815
Total operating expenses	**$ 765,742**	**$ 312,007**	**$ 453,735**

Following are the main reasons for the variances in operating expenses of the Company:

Research and Development

The Company has not incurred research and development costs during the three months ended September 30, 2017, as all of our products have passed through the research and development phase. Whereas during the three months ended September 30, 2016, the Company incurred $12,615 as research and development expense.

General and Administrative Cost

During the three months ended September 30, 2017, general and administrative cost increased by $47,542 when compared to the same period in 2016.

The main contributor for the increase was $42,750 paid as consultancy fee to the Investor Relations firm during the three months ended September 30, 2017.

Salaries and benefits

Salaries and benefits decreased by 17% during the three months ended September 30, 2017 as the total number of staff was reduced when compared to the same period in 2016. The Company moved toward outsourcing of non-core activities and this lead to a general decrease in the number of permanent staff.

Selling and distribution

During the period ended September 30, 2017, marketing expenses marginally decreased by 15% as the Company only marketed one product (FaceTone) and that too within Sri Lanka only, as a test market before the product is marketed in other countries.

Professional services – Investment advisory

Company incurred a cost of $438,598 on account of agreement signed in July 2017, for the procurement of investment advisory services over a period of one year.

Depreciation and Amortization expense

Depreciation and amortization expense had decreased by 27% during the 3 months ended September 30, 2017, when compared to the three months ended September 30, 2016.

Allowance for bad debts

Allowance for bad debts has marginally increased by $2,815 during the three months ended September 30, 2017, when compared to the three months ended September 30, 2016.

The loss from operations for the three months ended September 30, 2017 and September 30, 2016 amounted to $670,335 and $65,712, respectively.

The Company's other income and (expense) for the three months ended September 30, 2017 and September 30, 2016 amounted to $(22,153) and $21, respectively. The following table sets forth the Company's other income and (expense) analysis for both periods:

	September 30, 2017		September 30, 2016		Change	
Interest expense	$	(18,305)	$	(5,484)	$	(12,821)
Other income		18		21		(3)
Bank charges		(1,095)		(524)		(571)
Exchange gain/ (loss)		(2,771)		6,008		(8,779)
Total other income (expenses)	**$**	**(22,153)**	**$**	**21**	**$**	**(22,174)**

Other expenditures increased by $22,174 in the three months ended September 30, 2017, when compared to the three months ended September 30, 2016. The main reasons for this increase were the increase in interest cost and foreign exchange losses.

The loss before provision for income taxes for the three months ended September 30, 2017 and September 30, 2016 amounted to $692,488 and $65,691, respectively.

The net loss for the three months ended September 30, 2017 and September 30, 2016 amounted to $692,488 and $65,691, respectively.

The Company's comprehensive loss for the three months ended September 30, 2017 and September 30, 2016 amounted to $711,383 and $60,114, respectively.

Comprehensive Income / (Loss):	September 30, 2017		September 30, 2016	
(Loss) / gain on foreign currency translation	$	(18,895)	$	5,577
Net loss		(692,488)		(65,691)
Comprehensive loss	**$**	**(711,383)**	**$**	**(60,114)**

At September 30, 2017 and March 31, 2017, the Company had 41,116,654 and 38,567,467 common shares issued and outstanding, respectively. The weighted average number of shares for the three months ended September 30, 2017 and September 30, 2016 was 39,682,783 and 38,567,467, respectively. The loss per share for both periods was $(0.02) per share and $(0.00) per share, respectively.

D. Results of operations for the six months ended September 30, 2017 and September 30, 2016:

The Company had revenues amounting to $381,138 and $641,117, respectively, for six months ended September 30, 2017 and September 30, 2016. Following is a breakdown of revenues for both periods:

	September 30, 2017		September 30, 2016		Changes	
DuoSubscribe	$	254,325	$	491,697	$	(237,372)
FaceTone		89,668		4,790		84,878
DuoCLM		-		139,377		(139,377)
Software hosting and reselling - FaceTone (Beta/testing version)		6,730		5,253		1,477
Development services		30,415		-		30,415
	$	**381,138**	**$**	**641,117**	**$**	**(259,979)**

Total revenue for the six months ended September 30, 2017 has decreased by 41% when compared to six months ended September 30, 2016. This decrease is mainly due to the reduction in revenue generated by DuoSubscribe and DuoCLM as the company stopped marketing the two legacy software products.

FaceTone, the advanced version of DuoCLM, has already attracted the potential market due to its unique features and flexibility. It is evidenced by the increase of revenue generated by FaceTone by $84,878 during the six months ended September 30, 2017 when compared to the same period ended September 30, 2016.

For the six months ended September 30, 2017 and September 30, 2016, the Company had the following concentrations of revenues with customers:

Customer	September 30, 2017	September 30, 2016
A	50.03%	25.41%
B	14.29%	0%
C	8.28%	7.94%
D	7.98%	0%
E	0%	37.00%
Other misc. customers	19.42%	29.65%
	100%	100%

The total cost of sales amounted to $161,669 and $142,324 for the six months ended September 30, 2017 and 2016, respectively. The following table sets forth the Company's cost of sales breakdown for both periods:

	September 30, 2017	September 30, 2016	Change
Purchases	$ 23,178	$ 19,696	$ 3,482
Implementation and onsite support cost	15,575	22,904	(7,329)
Product development cost written off	56,114	69,996	(13,882)
Consultancy, contract basis employee cost	7,468	19,007	(11,539)
Support services	34,723	10,721	24,002
Development services	21,361	-	21,361
Other external services	3,250	-	3,250
Total cost of sales	**$ 161,669**	**$ 142,324**	**$ 19,345**

Cost of sales marginally increased by $19,345 during the six months ended September 30, 2017 when compared to the six months ended September 30, 2016. Cost of development services and the increase in the cost of support services were the main contributors to the increase in cost of sales.

The gross income for the six months ended September 30, 2017 and 2016 amounted to $219,469 and $498,793, respectively.

The total operating expenditures amounted to $1,039,690 and $843,813 for the six months ended September 30, 2017 and 2016, respectively. The following table sets forth the Company's operating expenditure analysis for both periods:

	September 30, 2017	September 30, 2016	Change
Research and development	$ -	$ 19,626	$ (19,626)
General and administrative	324,824	514,226	(189,402)
Salaries and benefits	178,005	208,860	(30,855)
Selling and distribution	5,883	6,631	(748)
Professional services - Investment advisory	438,598	-	438,598
Depreciation	13,379	48,424	(35,045)
Amortization of web site development	764	1,226	(462)
Allowance for bad debts	78,237	44,820	33,417
Total operating expenses	**$ 1,039,690**	**$ 843,813**	**$ 195,877**

Following are the main reasons for the variances in operating expenses of the Company:

Research and Development

The Company has not incurred research and development cost during the six months ended September 30, 2017, as all of our products have passed through the research and development phase. Whereas during the six months ended September 30, 2016, the Company incurred $19,626 as research and development expense.

General and Administrative Cost

The general and administrative expenditure has decreased by 37% in the six months ended September 30, 2017 when compared with six months ended September 30, 2016. The main reason for the decrease is due to the reduction in the professional fees paid to consultants and auditors for the purpose of filing Form S-1 Registration Statement, during the six months ended September 30, 2017, when compared with the same period in 2016.

Salaries and benefits

Salaries and benefits decreased by 15% during the six months ended September 30, 2017 as the total number of staff was reduced when compared to the same period in 2016. The Company moved toward outsourcing of non-core activities and this lead to a general decrease in the number of permanent staff.

Selling and distribution

There is a decrease of 11% on account of expenditure incurred for selling and distribution activities during the six months ended September 30, 2017, when compared with the six months ended September 30, 2016. The company reduced marketing activities during the six months ended September 30, 2017, as it is pooling all of the resources for the launch of the new products during the two succeeding quarters.

Professional services – Investment advisory

Company incurred a cost of $438,598 on account of agreement signed in July 2017, for investment advisory services over a period of one year.

Depreciation and amortization of web site development

Depreciation and amortization expense has decreased by 72% during the six months ended September 30, 2017, when compared to the six months ended September 30, 2016. Since April 1, 2016 the Company has changed its accounting policies on useful life of computer equipment and web site development cost and the effect on changing the accounting policies were reflected during the six months ended September 30, 2016.

Allowance for bad debts

Allowance for bad debts increased by $33,417 during the six months ended September 30, 2017 when compared to the six months ended September 30, 2016.

The loss from operations for the six months ended September 30, 2017 and 2016 amounted to $820,221 and $345,020, respectively.

The Company's other income and (expenses) for the six months ended September 30, 2017 and 2016 amounted to $(34,140) and $(3,299), respectively. The following table sets forth the Company's other income and (expenses) analysis for both periods:

	September 30, 2017	September 30, 2016	Change
Interest expense	$ (36,156)	$ (10,476)	$ (25,680)
Gain on disposals of property and equipment	32	-	32
Other income	620	245	375
Bank charges	(2,089)	(1,728)	(361)
Exchange gain	3,453	8,660	(5,207)
Total other income (expenses)	**$ (34,140)**	**$ (3,299)**	**$ (30,841)**

Other expenses increased by $30,841, during the six months ended September 30, 2017, when compared with the six months ended September 30, 2016. This increase was mainly due to the increase in interest expense during the six months ended September 30, 2017.

The loss before provision for income taxes for the six months ended September 30, 2017 and 2016 amounted to $854,361 and $348,319, respectively.

The net loss for the six months ended September 30, 2017 and 2016 amounted to $854,361 and $348,319, respectively.

The Company's comprehensive loss for the six months ended September 30, 2017 and 2016 amounted to $879,217 and $333,315, respectively.

Comprehensive Loss:	September 30, 2017	September 30, 2016
Unrealized foreign currency translation (loss)\ gain	$ (24,856)	$ 15,004
Net loss	(854,361)	(348,319)
Comprehensive loss	**$ (879,217)**	**$ (333,315)**

At September 30, 2017 and March 31, 2017, the Company had 41,116,654 and 38,567,467 common shares issued and outstanding, respectively. The weighted average number of shares for the six months ended September 30, 2017 and September 30, 2016 was 39,128,172 and 38,498,096, respectively. The loss per share for both periods was $(0.02) per share and $(0.01) per share, respectively.

E. *Financial condition as at September 30, 2017 and March 31, 2017:*

Assets:

The Company reported total assets of $2,963,532 and $1,634,154 as at September 30, 2017 and March 31, 2017, respectively. 53% of these total assets include prepaid expenses and other current assets, 22% of total assets comprise intangible assets and 20% of total assets include net accounts receivables of the Company. Our property and equipment include office equipment, computer equipment (Data Processing Equipment), furniture and fittings, web site developments and improvement to lease- hold assets having a total net book value of $33,690 and $48,087 as at September 30, 2017 and March 31, 2017, respectively. We also had a deferred tax asset of $30,864 as at March 31, 2017 which now totals $30,596 as at September 30, 2017. Furthermore, our current assets at March 31, 2017 totaled $974,304 and at September 30, 2017, these current assets amounted to $2,240,595 comprised of cash of $22,999, accounts receivable of $585,588, prepaid and other current assets of $1,566,345 and accrued revenue of $65,663.

Liabilities:

The Company had total liabilities of $3,400,892 and $3,050,987 as at September 30, 2017 and March 31, 2017, respectively. Long term liabilities include balances owed to related parties which are outstanding for more than 12 months. Our current liabilities at March 31, 2017 totaled $1,882,121. We have seen an increase of 18% in current liabilities amounting to $341,398, making total current liabilities of $2,223,519 as at September 30, 2017. These mainly include short term third party debt, payroll liabilities, payable to related parties, deferred revenue, taxes payable, accrued liabilities and our day to day operational creditors.

Stockholder's Deficit:

At March 31, 2017, the Company had stockholders´ deficit of $1,416,833. At September 30, 2017, the Company had stockholders´ deficit of $437,360, which represents a decrease of 69%.

The Company had 41,116,654 and 38,567,467 shares issued and outstanding at September 30, 2017 and March 31, 2017, respectively.

F. Liquidity and capital reserves:

The Company had loss from operations of $670,335 and $820,221 for the three and six months ended September 30, 2017 respectively; a total other expense amounting to $22,153 and $34,140 for the three and six months ended September 30, 2017, respectively; and a net loss of $692,488 and $854,361 for the three and six months ended September 30, 2017, respectively.

In summary, our cash flows for the six months ended September 30, 2017 and September 30, 2016 were as follows:

	September 30, 2017	September 30, 2016
Net cash provided by / (used in) operating activities	$ 147,845	$ 38,942
Net cash used in investing activities	(139,367)	(205,952)
Net cash provided by financing activities	-	67,804

Since inception, we have financed our operations primarily through internally generated funds and the use of our lines of credit with several financial institutions. We had $22,999 in cash; net cash provided by operations of $147,845, for the six months ended September 30, 2017; working capital of $17,076 and stockholders´ deficit of $437,360 as of September 30, 2017.

G. Milestones for next twelve months (2017-2018):

Our specific plan of operations and milestones through September 2018 are as follows:

1) Product Development and Launch:

We intend to commercially launch the new cloud based, SaaS products: FaceTone, DigIn, CloudCharge and Smoothflow.

2) Expansion:

a) *Geographical Expansion*

We intend to set up sales and support teams in Asian countries that have growing subscription markets. We hope to establish our presence in the United States by opening our first sales office during early 2018.

b) *Market Expansion*

Currently, we have clients in India, Indonesia, and Sri Lanka.

We intend to expand into new markets and regions with enhanced and new products. We hope to enter certain markets by way of appointing partners with the strategic fit to be able to promote the products in those markets in the more cost effective manner to the Company.

c) *Knowledge Capital, Learning and Innovation.*

Our greatest strength is our human capital. We have the ability to continue to innovate and set trends within the industries in which we operate, due to our ability to innovate and create value in our products.

Our management intends to:

- Continue to empower and create value for our human capital;
- Encourage disruptive technologies;
- Provide greater opportunities for knowledge sharing; and
- Sponsor and motivate learning and adoption of new technologies.

d) *Infrastructure*

We plan to increase our infrastructure in order to:

- Facilitate the increase in software development teams supporting R&D and Product Development;
- Expand our Global Support Center to cater to the increase in customer base, and increase in our product lines;
- Set up a smaller software development center outside of Sri Lanka, which would also be used as a disaster recovery center in the event our development center in Sri Lanka becomes incapacitated due to unforeseen events.

e) *Financial Performance*

We intend to provide value for all our shareholders by:

- Increasing profitability and free cash flow;
- Efficiently managing the use of capital;
- Raising capital and expanding our operations;
- Uplisting to OTCQB;
- Capitalizing and maximizing on the high growth opportunities in the market;
- Providing a robust and steady capital appreciation; and
- Providing options to realize gains.

f) Corporate Social Responsibility

Our wholly-owned subsidiary, Duo Software (Pvt.) Ltd., was Asia's first software development company to be certified Carbon Neutral in 2011.

We intend to be environmentally friendly, and continue with the carbon foot print audit and Carbon Neutral Certification in 2017.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Not applicable.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

As of the end of the period covered by this report, we carried out an evaluation, under the supervision and with the participation of our Principal Executive Officer and Principal Financial Officer of the effectiveness of the design and operation of our disclosure controls and procedures. Based on this evaluation, our Principal Executive Officer and Principal Financial Officer concluded that our disclosure controls and procedures (as defined in Rules 13a-15(e) and Rule 15d-15(e) under the Securities Exchange Act of 1934) were effective.

Changes in internal control over financial reporting

There were no changes in our internal control over financial reporting during our last fiscal quarter that materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings

We are not involved in any legal proceedings.

Item 1A. Risk Factors

Not applicable.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

We have issued below shares of common stock during the three months ended September 30, 2017

Name and Address of the Beneficial Owner	Number of Shares	Date of Issue
Maxim Partners, LLC 405, Lexington Avenue, 2nd Floor, New York NY 10174, USA	1,391,816	August 23, 2017
Dayspring Capital, LLC 112, Nottingham Road, Suite B Bedford Hills, New York NY 10507, USA.	947,371	August 23, 2017
Consulting for Strategic Growth 1, Ltd. 880, 3 rd Avenue, 06 th Floor, New York NY 10022, USA.	70,000	September 18, 2017

We have not issued any preferred stock during three months ended September 30, 2017.

The above shares were issued in reliance on the exemption from registration afforded by Section 4.(a).(2) of the Securities Act of 1933, as amended.

Item 3. Defaults upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

None.

Item 6. Exhibits

See Exhibit Index below for exhibits required by Item 601 of regulation S-K.

EXHIBIT INDEX

List of Exhibits attached or incorporated by reference pursuant to Item 601 of Regulation S-K:

Exhibit No.	Description
31.1 *	Certification under Section 302 of Sarbanes-Oxley Act of 2002
31.2 *	Certification under Section 302 of Sarbanes-Oxley Act of 2002
32.1 *	Certification under Section 906 of Sarbanes-Oxley Act of 2002
32.2 *	Certification under Section 906 of Sarbanes-Oxley Act of 2002

* Filed herewith.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

DUO WORLD, INC.

Date: November 13, 2017

/s/ Muhunthan Canagasooryam

Muhunthan Canagasooryam
President and Chief Executive Officer
(Principal Executive Officer)

Date: November 13, 2017

/s/ Suzannah Jennifer Samuel Perera

Suzannah Jennifer Samuel Perera
Chief Financial Officer
(Principal Accounting and Financial Officer)

Exhibit 31.1

DUO WORLD, INC.
A Nevada corporation
CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
Section 302 Certification

I, Muhunthan Canagasooryam, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Duo World, Inc. for the quarter ended September 30, 2017.

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this interim report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal controls over financial reporting (as defined in Exchange Act Rules 13a-15 (f) and 15d-15(f)) for the registrant and have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under my supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to me by others within those entities, particularly during the period in which this annual report is being prepared;

    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under my supervision, 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;

    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report my conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation;

    d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. I have disclosed, based on my most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):

    a) All significant deficiencies in the design of operation of internal controls which would adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weakness in internal controls; and

    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the small business issuer's internal control over financial reporting.

Date: November 13, 2017

/s/ Muhunthan Canagasooryam

Muhunthan Canagasooryam
President and Chief Executive Officer
(Principal Executive Officer

Exhibit 31.2

DUO WORLD, INC.
A Nevada corporation
CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
Section 302 Certification

I, Suzannah Jennifer Samuel Perera, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Duo World, Inc. for the quarter ended September 30, 2017.

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this interim report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal controls over financial reporting (as defined in Exchange Act Rules 13a-15 (f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under my supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to me by others within those entities, particularly during the period in which this annual report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under my supervision, 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;

   c. Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report my conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation;

   d. Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. I have disclosed, based on my most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent function):

   a. All significant deficiencies in the design of operation of internal controls which would adversely affect the registrant’s ability to record, process, summarize and report financial data and have identified for the registrant’s auditors any material weakness in internal controls; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the small business issuer’s internal control over financial reporting

Date: November 13, 2017

/s/ Suzannah Jennifer Samuel Perera

Suzannah Jennifer Samuel Perera
Chief Financial Officer
(Principal Accounting and Financial Officer)

Exhibit 32.1

DUO WORLD, INC.
A Nevada corporation
CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Duo World, Inc. (“Company”) on Form 10-Q for the quarter ended September 30, 2017, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Muhunthan Canagasooryam, President and Chief Executive Officer, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

A signed original of this written statement required by Section 906, or other document authentication, acknowledging, or otherwise adopting the signature that appears in typed from within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Date: November 13, 2017

/s/ Muhunthan Canagasooryam

Muhunthan Canagasooryam
President and Chief Executive Officer
(Principal Executive Officer)

Exhibit 32.2

DUO WORLD, INC.
A Nevada corporation
CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Duo World, Inc. (“Company”) on Form 10-Q for the quarter ended September 30, 2017, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Suzannah Jennifer Samuel Perera, Chief Financial Officer, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

A signed original of this written statement required by Section 906, or other document authentication, acknowledging, or otherwise adopting the signature that appears in typed from within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Date: November 13, 2017

/s/ Suzannah Jennifer Samuel Perera

Suzannah Jennifer Samuel Perera
Chief Financial Officer
(Principal Accounting and Financial Officer)