



24th ANNUAL REPORT 2018-19

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BOARD OF DIRECTORS

Mr.C.Ganapathy, B.Sc., (Agri.)

Mr.M.Duraiaraj, M.Sc., B.Ed.

Mr.S.Mohan, B.E.

Mr.S.Muthukumar, B.Sc., B.E., M.B.A.

Mr.A.Sankar, B.A.

Mrs.S.Latha, B.Sc.

Mr.G.Suresh, B.E., M.B.A.

Mr.R.Jayaraman M.com., CAIIB

Mr.S.Padmanaban M.com., AICWA CAIIB

Non Executive Chairman (w.e.f 09.08.2019)

Independent Director

Independent Director

Independent Director

Independent Director

Non Executive Women Director

Managing Director & CEO

Additional Director (w.e.f 09.08.2019)

Additional Director (w.e.f 09.08.2019)

Mr.P.S.Subramanian

Mr.Govind M Joshi

Chief Financial Officer

Company Secretary & Compliance Officer

STATUTORY AUDITORS

M/s. N. C. Rajan & Co

Chartered Accountants

Selekt Enclave, First Floor,

16, Dr. Munusamy Garden Street, Avinashi Road

Coimbatore – 641 018.

SECRETARIAL AUDITOR

Manimekala V Raj

Company Secretary

26B/2, 1st Floor, Bharathi Colony, Peelamedu,

Coimbatore-641 004.

REGISTRARS & SHARE TRANSFER AGENTS

S.K.D.C. Consultants Limited

Kanapathy Towers, 3rd Floor

1391/A-1 Sathy Road, Ganapathy

Coimbatore 641 006.

BANKERS

State Bank of India

ICICI Bank Limited

HDFC Bank Limited

Bank of America

Citibank. N.A.

REGISTERED OFFICE

171, Mettupalayam Road

Coimbatore 641 043

INDIA

CIN: L30009TZ1994PLC005568

BRANCH**Coimbatore**

S.F.No.174/2, Thiruvalluvar Street,

Vellakinar Pirivu Road,

G.N.Mills Post,

Coimbatore – 641 029.

SUBSIDIARY

CG-VAK Software USA Inc.,

1661, Tice Valley Blvd,

Suite#101, Walnut Creek,

California – 94595

New Jersey

116, Village Boulevard,

Suite No.200, Princeton,

New Jersey - 08540, USA

CG-VAK Software USA Inc.,

100, Overlook Centre

2nd Floor

Princeton

New Jersey - 08540

CG-VAK SOFTWARE AND EXPORTS LIMITED**CIN : L30009TZ1994PLC005568****Registered Office: 171, Mettupalayam Road, Coimbatore – 641 043****Web:www.cgvak.com, Email Id:investorservices@cgvak.com****NOTICE TO SHAREHOLDERS**

NOTICE is hereby given that the 24th Annual General Meeting of **CG-VAK SOFTWARE AND EXPORTS LIMITED** will be held on Monday the 23rd day of September, 2019 at 3.00 PM at Ardra Hall, Kaanchan, 9, North Huzur Road, Coimbatore -641 018, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Standalone and Consolidated Audited Financial Statements of the Company for the year ended 31st March, 2019 including audited Balance Sheet as at 31st March, 2019 and the Statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors (“the Board”) and Auditors thereon.
2. To declare dividend, if any.
3. To appoint a Director in the place of Mr.C.Ganapathy (DIN 00735840), who retires by rotation, and being eligible, offers himself for reappointment.

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass, with or without modifications, the following resolutions as an ORDINARY RESOLUTION.

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and 160 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enforcement thereof for the time being in force), the relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. R. Jayaraman (DIN: 08467922), who was appointed as an Additional Director of the Company by the Board of Directors on 09th August 2019 and who in terms of section 161 of the Companies act 2013 holds office upto the date of this Annual General Meeting and who is eligible for appointment as Director and in respect to whom a notice has been received from a member proposing his candidature as a Director and who has also given his consent for his appointment as an Independent Director of the Company and has also submitted a declaration that he meets the criteria of independence under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and who is eligible for appointment, be and is hereby appointed as a Non-Executive Independent Director of the Company, to hold office for a term of five consecutive years, with effect from 23rd September, 2019 and is not liable to retire by rotation.”

5. To consider and thought fit, to pass, with or without modifications, the following resolutions as an ORDINARY RESOLUTION.

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and 160 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enforcement thereof for the time being in force), the relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. S. Padmanabhan (Din: 08467788), who was appointed as an Additional Director of the Company by the Board of Directors on 09th August 2019 and who in terms of

Section 161 of the Companies Act, 2013 holds office upto the date of this Annual General Meeting and who is eligible for appointment as Director and in respect to whom a notice has been received from a member proposing his candidature as a Director and who has also given his consent for his appointment as an Independent Director of the Company and has also submitted a declaration that he meets the criteria of independence under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and who is eligible for appointment, be and is hereby appointed as a Non-Executive Independent Director of the Company, to hold office for a term of five consecutive years, with effect from 23rd September, 2019 and is not liable to retire by rotation.”

6. To consider and thought fit, to pass, with or without modifications, the following resolutions as SPECIAL RESOLUTION.

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and 160 and other applicable provisions of the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enforcement thereof for the time being in force), Regulation 17(1A) and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Dr. S. Thamburaj (DIN: 08467884), in respect to whom a notice has been received from a member proposing his candidature as a Director and who has given his consent for his appointment as an Independent Director of the Company and has also submitted a declaration that he meets the criteria of independence under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and who is eligible for appointment, be and is appointed as an Independent Director of the Company, to hold office for a term of five consecutive years, with effect from 23rd September, 2019 and is not liable to retire by rotation.”

7. To consider and if though fit, to pass, with or without modifications the following Resolution as a SPECIAL RESOLUTION:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and read with other applicable provisions of the Companies Act, 2013 (the Act) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including statutory modification(s) or reenactment(s) thereof, for the time being in force), Mr. C. Ganapathy (DIN: 00735840), who held the office of Executive Chairman upto 30th June 2019, be and is hereby appointed as Non Executive Non Independent Director (Designated as Non - Executive Chairman) w.e.f. 01st July 2019 liable to retire by rotation.

“RESOLVED FURTHER THAT pursuant to the Regulations 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2018 (Amendment Regulations, 2018), the consent of the members of the Company is be and hereby accorded to continue the Directorship of Mr. C. Ganapathy (DIN: 00735840), who has attained the age of 80 years.

8. To consider and if though fit, to pass the following Resolution as a SPECIAL RESOLUTION:

“RESOLVED THAT pursuant to the provisions of Sections 164, 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 (the Act) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including statutory modification(s) or reenactment(s) thereof, for the time being in force), approval of members be and is hereby accorded to re-appoint Mr. G. Suresh (DIN: 00600906) as Managing Director and CEO of the Company for a further period of 3 (three) years from 01st September 2019 to 31st August 2022 on the following terms and conditions including remuneration within the overall limits specified in Schedule V of the Companies Act 2013:

(A) Salary

Salary of Rs. 15,00,000/- Per month

Commission on net profit: 1% of the net profits of the Company computed in accordance with the Sections 196, 197, 203 and Schedule V of the Companies Act, 2013.

(B) Perquisites:

(1) Conveyance: Free use of the Company’s car with driver for official and private purposes.

(2) Club fees: Fees of Clubs, Subject to a Maximum of two Clubs (Excluding admission and life membership fee)

- (3) Leave Travel Concession: Entitled to travel with family by any mode i.e., Air, Train, Road once in every two years for visiting any place in the world.

Note: Family for the purpose of Leave Travel shall besides the Managing Director, Consist of Spouse, Wholly dependent parents and wholly dependent children of the Managing Director.

- (4) Medical Benefit: Actual Expenses incurred for the Managing Director and his Family Members
- (5) Telephone: The Company shall provide telephone and mobile phones for office use.
- (6) Personal Accident Insurance.
- (7) Re-imbursement of expenditure incurred on gas, water and electricity.
- (8) Such other perquisites and allowances including Bonus, Commission, Performance Incentive, Ex - gratia, etc. in accordance with the rules of the Company or as may be agreed to, by the Board of Directors of the Company.

Perquisites shall however be restricted to an amount equal to four months salary.”

Mr.G.Suresh shall also be entitled to the following perquisites which shall not be included in the computation of the ceiling on remuneration:

1. Contribution to Provident Fund, Superannuation Fund, Annuity fund and other retirement benefits to the extent the same are not taxable under the Income-tax Act, 1961.
2. Gratuity as per the provisions of the Payment of Gratuity Act or as per the Gratuity Scheme of the Company whichever is higher.
3. Reimbursement of expenses incurred for the business of the Company.

“RESOLVED FURTHER THAT in the absence or inadequacy of profits in any financial year, the Managing Director shall be paid a remuneration of the salary mentioned above and the perquisites and allowances will be within the overall ceiling as specified by Section II of Part II of Schedule V to the Companies Act, 2013, as in force, from time to time”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments, and writings as may be required to give effect to the aforesaid resolution.”

9. To consider and if thought fit, to pass with or without modification(s), the following Resolution as a SPECIAL RESOLUTION.

“RESOLVED THAT pursuant to the provisions of Section 13 and other applicable provisions, if any, of Companies Act 2013, and the rules framed there under, consent of the shareholders of the Company be and is hereby accorded, subject to the approval of the Registrar of Companies, to alter Clause III (A) of the Memorandum of Association of Company by adding a new sub clause (3) after the existing sub clause (2) as stated hereunder:

3. To carry on the business of generating electrical power by non-conventional methods by the use of wind, solar, tidal waves, biomass and waste materials and any other non conventional methods as may be developed from time to time and in this connection to purchase, own, control, take on lease, improve , develop, manage and operate, wind mills, solar power plants, wind farms, solar and wind farms, energy conservation projects, power houses transmission and distribution systems for generation, distribution, transmission and supply of solar, wind and electrical energy and to buy, sell, supply, exchange, market and deal in electrical power generated by the abovementioned non-conventional methods to the State Electricity Board, State Government, Appropriate Authorities, Licensees Specific Industrial Units, industrial and other consumers whether commercial, agricultural, household and any other purpose in India in any area to be specified by the State Government, Central Government, Local Authority, State Electricity Board and any other Competent Authority in accordance with the provisions of The Electricity Act , 2003 and any Statutory modifications or re-enactment thereof and rules made thereunder or any other relevant Act /legislation.

NOTES

1. **ANY MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER. THE INSTRUMENT APPOINTING THE PROXIES SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE MEETING.**
2. Members/proxies/representatives should bring the Attendance Slip, duly filed in for attending the meeting.
3. Details pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Paragraph 1.2.5 of Secretarial Standard on General Meetings, in respect of Director seeking reappointment at the Annual General Meeting are separately annexed hereto for item no. 4 to 8.
4. The Register of Members and the Share Transfer Books of the Company will remain closed from **Tuesday, the 17th September, 2019 to Monday, the 23rd September, 2019 (both days inclusive).**
5. The dividend if declared at the Annual General Meeting will be paid within 30 days from the date of the Annual General Meeting.
6. Members who are holding shares in physical form are requested to intimate/update immediately their change of address / change of bank account/ email ID, if any, to **M/s. S.K.D.C. Consultants Limited, Kanapathy Towers, 3rd Floor, 1391/A-1 Sathy Road, Ganapathy, Coimbatore 641 006**, our Registrar & Share Transfer Agents. Please quote your Folio Number and our Company's name in all your correspondence.
7. Members who are holding shares in Electronic Form are requested to intimate/update immediately their change of address / change of bank account/ email ID, if any, to their respective Depository Participant.
8. The practice of distributing copies of Annual Reports at the Annual General Meeting has been discontinued in view of the high cost of paper and printing. Shareholders are therefore, requested to bring their copy of the Annual Report to the meeting.
9. In terms of Sections 124(6) of the Companies Act, 2013, as amended the amount of dividend remaining unpaid or unclaimed for a period of seven (7) years from the date of transfer to the unpaid dividend account is required to be transferred to the Investor Education and Protection Fund (IEPF). The Unclaimed dividend for the year 2012-13, 2013-14, 2014-15, 2015-16, 2016-17 and 2017-18 is held in separate Bank accounts and the shareholders who have not received the dividend/encashed the warrants are advised to write to the Company with complete details.
10. The Notice of the Meeting is also displayed/posted on the websites of the Company www.cgvak.com and that of Central Depository Services (India) Limited ("CDSL") www.evotingindia.com.
11. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to offer the facility of voting through electronic means, as an alternate, to all its Members to enable them to cast their votes electronically instead of casting their vote at a Meeting. Please note that the voting through electronic means is optional for the Members. For Members who have not cast their votes by remote e-voting, facility to cast their votes at the Annual General Meeting, will be provided through Ballot Paper.
12. The Company has appointed Mrs. Manimekala V Raj, Practicing Company Secretary (Membership No. F5163), to act as the Scrutinizer for conducting the electronic voting process in a fair and transparent manner.
13. The procedure and instructions for voting through electronic means are, as follows:
The instructions for shareholders voting electronically are as under:
 - (i) The voting period begins on 19th September, 2019 at 9:00 a.m. and ends on 22nd September, 2019 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 16th September, 2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (ii) The shareholders should log on to the e-voting website www.evotingindia.com during the voting period
 - (iii) Click on "Shareholders" tab.

- (iv) Now, select the “CG-VAK Software and Exports Limited” from the dropdown menu and click on “SUBMIT”
- (v) Now 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.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) 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.
- (viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> 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 8 digits of the sequence number 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 in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	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.
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.

- (ix) After entering these details appropriately, click on “SUBMIT” tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xiii) Click on the EVSN for the relevant <CG VAK SOFTWARE AND EXPORTS LIMITED> on which you choose to vote.
- (xiv) 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.
- (xv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xvi) 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.
- (xvii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

(xviii) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.

(xix) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xx) Note for Institutional Shareholders

- 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 Corporate.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details the compliance user should be created using the admin login and password. The Compliance user who would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xxi) 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 under help section or write an email to helpdesk.evoting@cdslindia.com.

14. Once the vote on the resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

15. The Scrutinizer shall immediately after the conclusion of the voting at General meeting, first count the votes cast at the meeting, and thereafter unblock the votes in the presence of atleast two (2) witnesses not in the employment of the Company and make a Scrutinizer’s Report of the votes cast in favour or against, if any within Three days of Conclusion of the Meeting, to the Chairman of the meeting. The Chairman shall declare the results of the voting forthwith. The results declared along with the Scrutinizer’s Report shall be placed on the Company’s website and on the website of CDSL, immediately, after the Chairman declares the result.

16. Request to shareholders:

Shareholders are requested to follow the general safeguards / procedures as detailed hereunder enabling the Company to serve them efficiently and avoid risks while dealing in the securities of the Company.

Demat of Shares:

Shareholders are requested to convert their physical holding to demat/ electronic form through any of the DPs to avoid any possibility of loss, mutilation etc., of physical share certificates and also to ensure safe and speedy transaction in securities. Any investor who is desirous of transferring shares (which are held in physical form) after April 01, 2019 can do so only after the shares are dematerialized, except for transmission (i.e. transfer of title of shares by way of inheritance / succession) and transposition (i.e. re-arrangement / interchanging of the order of name of shareholders) cases.

Registration of Electronic Clearing Service (ECS) mandate:

SEBI has made it mandatory for all companies to use the bank account details furnished by the Depositories for payment of dividend through ECS to investors wherever ECS and bank details are available. The Company will not entertain any direct request from Members holding shares in electronic mode for deletion of / change in such bank details. Members who wish to change such bank account details are therefore

requested to advise their DPs about such change, with complete details of bank account. ECS helps in quick remittance of dividend without possible loss / delay in postal transit. Shareholders, who have not earlier availed this facility, are requested to register their ECS details with the STA or their respective DPs.

Consolidation of multiple folios:

Shareholders, who have multiple folios in identical names, are requested to apply for consolidation of such folios and send the relevant share certificates to the Company.

Registration of nominations:

Section 72 of the Companies Act, 2013 provides facility for making nominations by shareholders in respect of their holding of shares. Such nomination greatly facilitates transmission of shares from the deceased shareholder to his / her nominee without having to go through the process of obtaining succession certificate / probate of the Will, etc. It would therefore be in the best interest of the shareholders holding shares in physical form registered as a sole holder to make such nominations. Shareholders, who have not availed nomination facility, are requested to avail the same by submitting the nomination in Form SH13. This form will be made available on request. Investors holding shares in demat form are advised to contact their DPs for making nominations.

Updation of address:

Shareholders are requested to update their addresses registered with the Company, directly through the STA, to receive all communications promptly. Shareholders, holding shares in electronic form, are requested to deal only with their DPs in respect of change of address and furnishing bank account number, etc

Timely encashment of dividends:

Shareholders are requested to encash their dividends promptly to avoid hassles of revalidation. As required by SEBI, shareholders are requested to furnish details of their bank account number and name and address of the bank for incorporating the same in the warrants. This would avoid wrong credits being obtained by unauthorized persons. Shareholders are requested to note that the dividends, not claimed for a period of seven years from the date they first became due for payment, shall be transferred to IEPF in terms of Section 124(6) of the Act, 2013 read with Investor Education & Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

(By Order of the Board)

For CG-VAK SOFTWARE AND EXPORTS LIMITED

Place: Coimbatore

Date : 09th August, 2019

G. Suresh

Managing Director & CEO

(DIN : 00600906)