



ERP SOFT SYSTEMS LIMITED

**22nd
ANNUAL REPORT
2015-2016**

ERP SOFT SYSTEMS LIMITED

CORPORATE INFORMATION

BOARD OF DIRECTORS

- | | |
|-------------------------------|--|
| 1. Mrs. K. Parvathi Reddy | - Managing Director (DIN: 00827258) |
| 2. Mrs. D. Sarojanamma | - Whole-time Director (DIN: 05208974) |
| 3. Mrs. D. Kowsalyamma | - Whole-time Director (DIN: 00908641) |
| 4. Mr. K. Radha krishna Reddy | - Director & CFO (DIN: 02634480) |
| 5. Mr. P.V. Srinivasa Rao | - Independent Director (DIN: 02280725) |
| 6. Mrs. R. Kamala Mohan | - Independent Director (DIN: 02596829) |

COMPANY SECRETARY

Mrs. P. Shivaleela Reddy

REGISTERED OFFICE

ERP Soft Systems Limited
A-21, Anna Nagar
Chennai 600 102, India
Ph: +91 73388 55022
info@erpsoft.com

USA:

LibertyCom LLC
124, West Capitol, Suite # 712
Little Rock, Arkansas 72201, USA
info@libertycom.com
Phone 501-960-3302

CORPORATE IDENTITY NUMBER

L67120TN1994PLC029563

AUDITORS

M/s. Vijayaraghavan & Associates,
Chartered Accountants,
51, Giri Road,
T.Nagar, Chennai - 600 017

INTERNAL AUDITORS

M/s Ashok Golechha & Co,
Chartered accountants,
No.33, Clemens Road,
1st Floor, Purasaiwalkam,
Chennai - 600 007

ERP SOFT SYSTEMS LIMITED

BANKERS

ICICI Bank Limited
T.Nagar Branch, Bazullah Road
Chennai – 600 017

AUDIT COMMITTEE

- | | | |
|------------------------------|---|----------|
| 1) Mr. P.V. Srinivasa Rao | - | Chairman |
| 2) Mrs. R. Kamala Mohan | - | Member |
| 3) Mr. K. Radhakrishna Reddy | - | Member |

NOMINATION & REMUNERATION COMMITTEE

- | | | |
|---------------------------|---|----------|
| 1) Mrs. R. Kamala Mohan | - | Chairman |
| 2) Mr. P.V. Srinivasa Rao | - | Member |
| 3) Mrs. D. Kowsalyama | - | Member |

STAKEHOLDER RELATIONSHIP COMMITTEE

- | | | |
|------------------------------|---|----------|
| 1) Ms. R. Kamala Mohan | - | Chairman |
| 2) Mr. P.V. Srinivasa Rao | - | Member |
| 3) Mr. K. Radhakrishna Reddy | - | Member |

INDEPENDENT DIRECTORS COMMITTEE

- | | | |
|---------------------------|---|----------|
| 1) Ms. R. Kamala Mohan | - | Chairman |
| 2) Mr. P.V. Srinivasa Rao | - | Member |

RISK MANAGEMENT COMMITTEE

- | | | |
|-------------------------|---|----------|
| 1) Mrs. R. Kamala Mohan | - | Chairman |
| 2) Mrs. D. Sarojanamma | - | Member |
| 3) Mrs. D. Kowsalyamma | - | Member |

REGISTRAR & SHARE TRANSFER AGENTS

Aarthi Consultants Private Limited
1-2-285, Domalguda
Hyderabad – 500029
Tel No.: 04027638111/27634445
Fax: 040-27632184
E-mail: aarthiconsultants@gmail.com

LISTED AT : BSE Limited

ISIN : INE308B01017

WEBSITE : www.erpsoft.com

INVESTOR E-MAIL ID : investorcare@erpsoft.com

ERP SOFT SYSTEMS LIMITED

NOTICE

Notice is hereby given that the Twenty Second Annual General Meeting of the Shareholders of M/s. ERP Soft Systems Limited will be held on Thursday, 29th day of September, 2016 at 11:00 A.M. at the Registered Office of the Company at A21 Anna Nagar, Chennai - 600102 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2016, the Statement of Profit & Loss and Cash Flow Statement (including consolidated financial statements) for the year ended on that date together with the Notes attached thereto, along with the Reports of Auditors and Directors thereon.
2. To appoint a director in place of Mrs. K. Parvathi Reddy (DIN00827258) who retires by rotation and being eligible, offers herself for re-appointment.
3. To appoint M/s. Vijayaraghavan and Associates, Statutory Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company at remuneration as may be fixed by the Board.

SPECIAL BUSINESS:

4. REAPPOINTMENT OF MRS K. PARVATHI REDDY AS MANAGING DIRECTOR OF THE COMPANY:

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

“RESOLVED THAT pursuant to the provisions of Section 196,197,198,203 read with Schedule V and any other applicable provisions if any, of the Companies Act, 2013 including any statutory modification(s) or reenactment thereof for the time being in force and Articles of Association of the Company and in supersession of the earlier resolution/s passed by the shareholders in earlier general meeting/s, and subject to the approval of Members in Annual General Meeting, Mrs. K. Parvathi Reddy is re-appointed as Managing Director of the Company for a period of three years with effect from 12th August, 2016 with a remuneration of Rs. 1,00,000 per month.

RESOLVED FURTHER THAT in terms of Schedule V of the Companies Act, 2013, as amended from time to time, the Board of Directors be and hereby authorized to vary or increase the remuneration including Basic Salary, Commission, Perquisites, and Allowances etc. within such prescribed limits.

Adequate Profits:

Where in any Financial Year, during the tenure of Mrs. K. Parvathi Reddy, the Company has adequate profits; the Company shall pay to Mrs. K. Parvathi Reddy, remuneration by way of Basic Salary, Commission, Perquisites and Allowance exceeding the amount approved by the Central Government and Which shall not exceed the limits prescribed from time to time under sections 196, 197, 203 read with Schedule V to the Companies Act 2013 for the time being in force.

RESOLVED FURTHER THAT the any of the Director be and is hereby authorized to take all necessary steps as may be necessary to give effect to the above resolution including filing of all such necessary documents as may be required in this regard.

5. REAPPOINTMENT AND CONTINUATION OF MRS D. SAROJANAMMA AS WHOLETIME DIRECTOR OF THE COMPANY:

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 196,197,198,203 read with Schedule V and any other applicable provisions if any, of the Companies Act, 2013 including any statutory modification(s) or reenactment thereof for the time being in force and Articles of Association of the Company and in supersession of the earlier resolution/s passed by the shareholders in earlier general meeting/s, and subject to the approval of Members in Annual General Meeting, Mrs. D. Sarojanamma is re-appointed as whole-time director of the Company for a period of three years with effect from 12th August, 2016 with a remuneration of Rs. 50,000 per month.

"RESOLVED FURTHER THAT pursuant to Schedule V Part I (c) the consent of the Shareholders be and is hereby accorded for continuation of Mrs. D. Sarojanamma, Whole time Director of the Company as per terms and conditions specified in the resolution even though she has attained the age of seventy years and shall be entitled to the remuneration as passed in the above said resolution."

RESOLVED FURTHER THAT in terms of Schedule V of the Companies Act, 2013, as amended from time to time, the Board of Directors be and hereby authorized to vary or increase the remuneration including Basic Salary, Commission, Perquisites, and Allowances etc. within such prescribed limits.

Adequate Profits:

Where in any Financial Year, during the tenure of Mrs. D. Sarojanamma, the Company has adequate profits; the Company shall pay to Mrs. D. Sarojanamma, remuneration by way of Basic Salary, Commission, Perquisites and Allowance exceeding the amount approved by the Central Government and Which shall not exceed the limits prescribed from time to time under sections 196, 197, 203 read with Schedule V to the Companies Act 2013 for the time being in force.

RESOLVED FURTHER THAT the any of the Director be and is hereby authorized to take all necessary steps as may be necessary to give effect to the above resolution including filing of all such necessary documents as may be required in this regard."

6. REAPPOINTMENT AND CONTINUATION OF MRS D. KOWSALYAMMA AS WHOLETIME DIRECTOR OF THE COMPANY:

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 196,197,198,203 read with Schedule V and any other applicable provisions if any, of the Companies Act, 2013 including any statutory modification(s) or reenactment thereof for the time being in force and Articles of Association of the Company and in supersession of the earlier resolution/s passed by the shareholders in earlier general meeting/s, and subject to the approval of Members in Annual General Meeting, Mrs. D. Kowsalyamma is re-appointed as Whole-Time Director of the Company for a period of three years with effect from 12.08.2016 with a remuneration of Rs. 50,000 per month.

"RESOLVED FURTHER THAT pursuant to Schedule V Part I (c) the consent of the Shareholders be and is hereby accorded for continuation of Mrs. D. Kowsalyamma, Whole time Director of the Company as per terms and conditions specified in the resolution even though she has attained the age of seventy years and shall be entitled to the remuneration as passed in the above said resolution."

“RESOLVED FURTHER THAT in terms of Schedule V of the Companies Act, 2013, as amended from time to time, the Board of Directors be and hereby authorized to vary or increase the remuneration including Basic Salary, Commission, Perquisites, and Allowances etc. within such prescribed limits. “

Adequate Profits:

Where in any Financial Year, during the tenure of Mrs. D. Kowsalyamma, the Company has adequate profits; the Company shall pay Mrs. D. Kowsalyamma, remuneration by way of Basic Salary, Commission, Perquisites and Allowance exceeding the amount approved by the Central Government and Which shall not exceed the limits prescribed from time to time under sections 196, 197, 203 read with Schedule V to the Companies Act 2013 for the time being in force.

RESOLVED FURTHER THAT the any of the Director be and is hereby authorized to take all necessary steps as may be necessary to give effect to the above resolution including filing of all such necessary documents as may be required in this regard.”

7. REAPPOINTMENT AND CONTINUATION OF MR. K. RADHAKRISHNA REDDY AS WHOLETIME DIRECTOR OF THE COMPANY:

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 196,197,198,203 read with Schedule V and any other applicable provisions if any, of the Companies Act, 2013 including any statutory modification(s) or reenactment thereof for the time being in force and Articles of Association of the Company and in supersession of the earlier resolution/s passed by the shareholders in earlier general meeting/s, and subject to the approval of Members in Annual General Meeting, Mr. K. Radhakrishna Reddy is re-appointed as Whole-Time Director cum CFO of the Company for a period of three years with effect from 12.08.2016 with a remuneration of Rs. 50,000 per month.

“RESOLVED FURTHER THAT pursuant to Schedule V Part I (c) the consent of the Shareholders be and is hereby accorded for continuation of Mr. K. Radhakrishna Reddy, Whole time Director cum CFO of the Company as per terms and conditions specified in the resolution even though she has attained the age of seventy years and shall be entitled to the remuneration as passed in the above said resolution.”

ERP SOFT SYSTEMS LIMITED

“RESOLVED FURTHER THAT in terms of Schedule V of the Companies Act, 2013, as amended from time to time, the Board of Directors be and hereby authorized to vary or increase the remuneration including Basic Salary, Commission, Perquisites, and Allowances etc. within such prescribed limits. “

Adequate Profits:

Where in any Financial Year, during the tenure of Mr. K. Radhakrishna Reddy, the Company has adequate profits; the Company shall pay Mr. K. Radhakrishna Reddy, remuneration by way of Basic Salary, Commission, Perquisites and Allowance exceeding the amount approved by the Central Government and Which shall not exceed the limits prescribed from time to time under sections 196, 197, 203 read with Schedule V to the Companies Act 2013 for the time being in force.

RESOLVED FURTHER THAT the any of the Director be and is hereby authorized to take all necessary steps as may be necessary to give effect to the above resolution including filing of all such necessary documents as may be required in this regard."

**For and on Behalf of the Board
ERP Soft Systems Limited**

**Place: Chennai
Date: 12.08.2016**

**Sd/-
K. Parvathi Reddy
Managing Director
(DIN: 00827258)**

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The instrument of Proxy in order to be effective shall be deposited at the Registered Office of the Company by not less than 48 hours before the commencement of the Meeting.

Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty (50) members and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy, who shall not act as a proxy for any other person or shareholder. The appointment of proxy shall be in the Form No. MGT.11 annexed herewith.

2. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Business to be transacted at the Annual General Meeting as set out in the Notice is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 24.09.2016 to 29.09.2016 (Both days Inclusive).
4. Members holding shares in the electronic form are requested to inform any changes in address/bank mandate directly to their respective Depository Participants.
5. Members are requested to hand over the enclosed Attendance Slip, duly signed in accordance with their specimen signature(s) registered with the Company for admission to the meeting hall. Members who hold shares in dematerialised form are requested to bring their Client ID and DP ID Numbers for identification.
6. Corporate Members are requested to send to the Company's Registrar & Transfer Agent, a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting.
7. In case of joint holders attending the Meeting, only such joint holders who are higher in the order of names will be entitled to vote.

8. The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ Registrar and Share Transfer Agents (M/s. Aarathi Consultants Private Ltd)
9. As a measure of austerity, copies of the annual report will not be distributed at the Annual General Meeting. Members are therefore, requested to bring their copies of the Annual Report to the Meeting.
10. Members holding shares in the same name under different ledger folios are requested to apply for Consolidation of such folios and send the relevant share certificates to M/s. Aarathi Consultants Private Ltd., Share Transfer Agents of the Company for their doing the needful.
11. Members are requested to send their queries at least 10 days before the date of meeting so that information can be made available at the meeting.
12. In respect of shares held in physical mode, all shareholders are requested to intimate changes, if any, in their registered address immediately to the registrar and share transfer agent of the company and correspond with them directly regarding share transfer/transmission /transposition, Demat / Remat, change of address, issue of duplicate shares certificates, ECS and nomination facility.
13. In terms of Section 72 of the Companies Act, 2013, a member of the company may nominate a person on whom the shares held by him/her shall vest in the event of his/her death. Members desirous of availing this facility may submit nomination in prescribed Form-SH-13 to the company/RTA in case shares are held in physical form, and to their respective depository participant, if held in electronic form.
14. Electronic copy of the Annual Report for 2015-2016 is being sent to all the members whose Email-IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2015-2016 is being sent in the permitted mode.
15. Members may also note that the Notice of the Annual General Meeting and the Annual Report for 2015-2016 will also be available on the Company's website www.erpsoft.com for their download. The physical