



ERP SOFT SYSTEMS LIMITED

**25th
ANNUAL REPORT
2018-19**

ERP SOFT SYSTEMS LIMITED

CORPORATE INFORMATION

BOARD OF DIRECTORS

- | | |
|-------------------------------|---|
| 1. Mrs. K. Parvathi Reddy | - Managing Director (DIN: 00827258) |
| 2. Mrs. D. Sarojanamma | - Non-Executive Director(DIN: 05208974) |
| 3. Mr. K. Radha Krishna Reddy | - Whole-time Director &CFO
(DIN: 02634480) |
| 4. Mrs. R. Kamala Mohan | - Independent Director (DIN: 02596829) |
| 5. Mr.Babulu Gangisetty | - Additional Director (DIN: 06396852) |

COMPANY SECRETARY

Ms.Shivangi Choudhary

*appointed w.e.f. 08.04.2019

REGISTERED OFFICE

10A Trankquill Nest,
Kamakoti Nagar,
3rd Main Road Pallikaranai,
Chennai, India.

Ph: +91 73388 55022

info@erpsoft.com

USA:

LibertyCom LLC
415,Congress Street, Suite 202
Unit 2, Portland, ME-04101
info@libertycom.com
Phone 501-960-3302

CORPORATE IDENTITY NUMBER

L67120TN1994PLC029563

AUDITORS

M/s. S. Vishnu & Co.,
Chartered Accountants,
23,Swagatham Apartments
16/23, Shenoy Road,
Nangambakkam
Chennai-600 034

INTERNAL AUDITOR

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

BANKERS

ICICI Bank Limited
T.Nagar Branch
Bazullah Road
Chennai – 600 017
&
ICICI Bank Limited
A-78, Plot No 3211
3rd Avenue, Anna Nagar Branch
Chennai - 600102

AUDIT COMMITTEE:

- | | | |
|------------------------------|---|----------|
| 1) Mr.BabuluGangisetty | - | Chairman |
| 2) Mrs. R. Kamala Mohan | - | Member |
| 3) Mr. K. Radhakrishna Reddy | - | Member |

NOMINATION & REMUNERATION COMMITTEE:

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

STAKEHOLDER RELATIONSHIP COMMITTEE:

- | | | |
|------------------------------|---|----------|
| 1) Ms. R. Kamala Mohan | - | Chairman |
| 2) Mr.BabuluGangisetty | - | Member |
| 3) Mr. K. Radhakrishna Reddy | - | Member |

INDEPENDENT DIRECTORS

- 1) Ms. R. Kamala Mohan
- 2) Mr.BabuluGangisetty

RISK MANAGEMENT COMMITTEE:

- | | | |
|-------------------------------|---|----------|
| 1) Mrs. R. Kamala Mohan | - | Chairman |
| 2) Mrs. D. Sarojanamma | - | Member |
| 3) Mr. K. Radha Krishna Reddy | - | Member |

REGISTRAR & SHARE TRANSFER AGENTS

Aarhi 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 25th Annual General Meeting of the Shareholders of ERP Soft Systems Limited will be held on Monday, the 30th day of September, 2019 at 10:00 a.m. at registered office of the company at 10-A, Tranquil Nest Building, 3rd Main Road, Kamakoti Nagar, Pallikaranai, Chennai, Tamil Nadu – 600100 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31st, 2019, the Statement of Profit & Loss and Cash Flow Statement (including the 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. D. Sarojanamma (DIN: 05208974), who retires by rotation and being eligible, offers herself for re-appointment.

SPECIAL BUSINESS:

3. **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 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, the consent of the members of the company be and is hereby accorded to reappoint Mrs. K. Parvathi Reddy (DIN: 00827258) Managing Director for a period of three years with effect from 12.08.2019 to 11.08.2022 at a remuneration of Rs. 50,000 p.m. and the Board of Directors be and is hereby authorized to vary or increase the remuneration, perquisites, and allowances etc., within such prescribed limits in terms of Schedule V of the Companies Act, 2013, as amended from time to time.”

“RESOLVED FURTHER THAT in the event of losses or inadequacy of profits in any financial year during her tenure the Company shall pay to Mrs. K. Parvathi Reddy, remuneration by way of salaries and allowances as specified above as minimum remuneration and in accordance with the limits specified under the Companies Act, 2013 read with Schedule V to

the Companies Act 2013, or such other limit as may be prescribed by the Government from time to time”.

"RESOLVED FURTHER THAT the Board be and is hereby authorized to approve the terms and conditions including any changes in remuneration and to do all such acts, deeds, matters and things as may be considered necessary, appropriate and desirable to give effect to the resolution."

4. REAPPOINTMENT OF MR. K. RADHAKRISHNA REDDY AS WHOLE-TIME DIRECTOR OF THE COMPANY:

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

"RESOLVED THAT pursuant to the provisions of Section 196, 197 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, the consent of the members of the company be and is hereby accorded to reappoint Mr. K. Radhakrishna Reddy (DIN: 02634480) Whole-time Director cum CFO Director for a period of three years with effect from 12.08.2019 to 11.08.2022 at a remuneration of Rs. 50,000p.m. and the Board of Directors be and is hereby authorized to vary or increase the remuneration, perquisites, and allowances etc., within such prescribed limits in terms of Schedule V of the Companies Act, 2013, as amended from time to time."

"RESOLVED FURTHER THAT in the event of losses or inadequacy of profits in any financial year during his tenure the Company shall pay to Mr. K. Radhakrishna Reddy, remuneration by way of salaries and allowances as specified above as minimum remuneration and in accordance with the limits specified under the Companies Act, 2013 read with Schedule V to the Companies Act 2013, or such other limit as may be prescribed by the Government from time to time”.

"RESOLVED FURTHER THAT the Board be and is hereby authorized to approve the terms and conditions including any changes in remuneration and to do all such acts, deeds, matters and things as may be considered necessary, appropriate and desirable to give effect to the resolution."

5. APPOINTMENT OF MR. BABLU GANGISETTY AS INDEPENDENT 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 149, 152 of the Companies Act, 2013 and rules made there under, Mr.Bablu Gangisetty (holding DIN: 06396852), who was appointed as ‘Additional Director’ in the category of non-executive independent director in the Board of the Company on 14th November, 2018. pursuant to the provision of Section 161 (1) of the Companies Act, 2013 (“the Act”) read with Articles of Association of the Company and whose term of office expires at the ensuing Annual General Meeting of the Company or the last date on which annual general meeting should have been held, whichever is earlier and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mr.Bablu Gangisetty as a candidate for the office of a Director of the Company who meets the criteria of Independence as provided under Section 149(6) of the Companies Act, 2013, be and is hereby appointed as Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (Five) consecutive years commencing from the date of his appointment as Additional Director i.e. 14.11.2018 up to 13.11.2023.”

“RESOLVED FURTHER THAT, the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, appropriate and desirable to give effect to the resolution.”

6. CONTINUATION OF MRS. D. SAROJANAMMA (DIN:05208974) AS NON-EXECUTIVE DIRECTOR:

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

“RESOLVED THAT pursuant to Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 and other applicable provisions of the Companies Act, 2013 and relevant Rules made there under, including any statutory modification(s) or re-enactment thereof, for the time being in force, consent of the members of the Company be and is hereby accorded for continuation of Mrs. D. Sarojanamma, who has exceeded the age of 75 years.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, appropriate and desirable to give effect to the resolution.”

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7. CONTINUATION OF MR. K. RADHAKRISHNA REDDY (DIN:02634480) AS WHOLE-TIME DIRECTOR OF THE COMPANY:

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, read with Schedule V and other applicable provisions if any, of the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof for the time being in force and Articles of Association of the Company, approval of the Members of the Company be and is hereby accorded for continuation of holding of office by Mr.K. Radhakrishna Reddy, Whole-Time Director cum CFO who has already attained the age of 70 (Seventy) years upto the expiry of his present term of office, on the existing terms and conditions.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to approve the terms and conditions including any changes in remuneration and to do all such acts, deeds, matters and things as may be considered necessary, appropriate and desirable to give effect to the resolution.”

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

**Place: Chennai
Date: 14.08.2019**

**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 21.09.2019 to 30.09.2019 (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. Recent circular requires submission of Aadhar/PAN number by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit Aadhar card/PAN details to the

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Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their Aadhar card/PAN details to the Company/ Registrar and Share Transfer Agents(Aarthi Consultants Pvt Limited)

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 **Aarthi Consultants Pvt Limited.**, 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 2018-2019 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 2018-2019 is being sent in the permitted mode.
15. Members may also note that the Notice of the 25th Annual General Meeting and the Annual Report for 2018-2019 will also be available on the Company's website www.erpsoft.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication,