

LIPPI SYSTEMS LIMITED

BOARD OF DIRECTORS

Mr. Nandlal J. Agrawal	Chairman & M.D
Mr. Kunal N. Agrawal	WTD
Mr. Minesh C. Shah	WTD
Mr. Kamlesh S. Sharma	Director
Mr. Tirthraj A. Pandya	Director
Ms. Jesalben P. Shah	Director (up to 14/08/2019)
Ms. Swetal Sapra	Director (From 14/08/2019)
Mr. Govind Thakkar	Director

CFO

Mr. Gopal D. Sharma

COMPANY SECRETARY

Mr. Darshan B. Shah

AUDITORS

Vijay Moondra & Co.
Chartered Accountants
201-202 Sarap, Opp. Navjivan Press,
Ashram Road, Ahmedabad- 14

BANKERS

Indian Overseas Bank.
Stadium Road Branch,
Ahmedabad - 380 009.

REGISTERED OFFICE

3rd Floor, Satya Complex,
Opp. IOC Petrol Pump,
132ft Ring Road, Satellite,
Ahmedabad - 380 015.
E-mail : cs@lippisystems.com
Phone : 079-26750060
Website : www.lippisystems.com

LIPPI SYSTEMS LIMITED

(CIN: L22100GJ1993PLC020382)

NOTICE

26th ANNUAL GENERAL MEETING

NOTICE TO MEMBER

Notice is hereby given that the 26th Annual General Meeting of the members of the Company will be held on Monday, the 30th day of September, 2019 at 11:30 a.m. at the Registered Office of the Company at 3rd Floor, Satya Complex, Nr. Ashwamegh IV, 132 Feet Ring Road, Satellite, Ahmedabad – 380015, to transact the following business:-

ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements of the Company for the Financial Year ended on March 31, 2019 and reports of the Board of Directors ('the Board') and Auditor's thereon.
2. To appoint a director in place of Mr. Nandlal J. Agrawal (DIN: 00336556), who retires by rotation and being eligible offers himself for re-appointment.

SPECIAL BUSINESS:

3. TO APPOINT MS. SWETAL SAPRA AS WOMAN INDEPENDENT DIRECTOR:

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

“RESOLVED THAT Ms. Swetal Sapra (DIN: 08536677), who was appointed as an Additional Independent Director of the Company w.e.f. 14th August, 2019 pursuant to Section 161 of the Companies Act, 2013 ('Act') and whose term of office expires at this Annual General Meeting and in respect of whom the Company has received a Notice in writing from a member in terms of Section 160 of the Act proposing her candidature for the office of Independent Director, be and is hereby appointed as an Independent Woman Director of the Company pursuant to Section 149 of the Act to hold office for a term of five consecutive years from 14th August, 2019.”

Place: - Ahmedabad

By order of the Board of Directors

Date: - 14/08/2019

Nandlal J. Agrawal
Chairman & Managing Director
(DIN:00336556)

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NOTES:

1. A member entitled to attend and vote at The Meeting is entitled to appoint a Proxy to attend and vote instead of himself and a proxy need not be a member of the Company. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
2. The proxies in order to be effective must be lodged with the company not less than 48 hours before the commencement of the meeting.
3. A Statement pursuant to Section 102 of the Companies Act, 2013, relating to the special Business to be transacted at the meeting is annexed hereto.
4. The Register of Members and Share Transfer books of the company will remain close from Saturday, the 21st September, 2019 to Monday, the 30th September, 2019 (both days inclusive).
5. All documents referred to in the accompanying notice and explanatory statement will be kept open for inspection at the Registered Office of Company on all working days between 11.00 a.m. to 1.00 p.m. prior to date of Annual General Meeting.
6. Members are requested to bring their attendance slip along with their copy of Annual Report to the meeting.
7. Members holding the shares in physical mode are requested to notify immediately the change of their address and bank particulars to the R & T Agent of the Company. In case shares held in dematerialized form, the information regarding change of address and bank particulars should be given to their respective Depository Participant.
8. Voting through electronic means:

The Company is pleased to offer e-voting facility to all its members to enable them to cast their vote electronically in terms of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (LODR) Regulations, 2015 (including any statutory modification or re-enactment thereof for the time being in force). Accordingly, a member may exercise his vote by electronic means and the Company may pass any resolution by electronic voting system in accordance with the above provisions.

The instructions for e-voting are as under:

SECTION A - E-VOTING PROCESS -

Step 1 : Open your web browser during the voting period and log on to the e-Voting Website: www.evotingindia.com.

Step 2 : Click on "Shareholders" to cast your vote(s)

Step 3 : Select the Electronic Voting Sequence Number (EVSN) i.e "190829067"

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along with “COMPANY NAME” i.e. “Lippi Systems Limited” from the drop down menu and click on “SUBMIT”.

Step 4 : Please enter User ID –

- a. For account holders in CDSL :- Your 16 digits beneficiary ID
- b. For account holders in NSDL :- Your 8 Character DP ID followed by 8 Digits Client ID
- c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

Step 5 : Enter the Image Verification as displayed and Click on Login.

Step 6 : 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.

Step 7 : If you are a first time user follow the steps given below:

- 7.1** Enter your 10 digit alpha-numeric PAN issued by Income Tax Department. For members who have not updated their PAN with the Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field. In case the folio 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 folio number 100 then enter RA00000100 in the PAN field.
- 7.2** Enter the Date of Birth (DOB) recorded in the demat account or registered with the Company for the demat account in DD/MM/YYYY format#
- 7.3** Enter your Dividend Bank details (Account Number) recorded in the demat account or registered with the Company for the demat account#
- # Any one of the details i.e. DOB or Dividend Bank details should be entered for logging into the account. If Dividend Bank details and Date of Birth are not recorded with the Depository or Company please enter the number of shares held by you as on the cutoff date (record date) i.e. September 21, 2019 in the Dividend Bank details field.

Step 8 : After entering these details appropriately, click on “SUBMIT” tab.

Step 9 : First time user holding shares in Demat form will now reach Password Generation menu wherein they are required to create their login password in the password field. Kindly note that this password can also be used by the Demat holders for voting for resolution 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.

If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password and enter the details as prompted by the system.

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Members holding shares in physical form will then directly reach the Company selection screen.

Step 10 : Click on the EVSN of the Company i.e. "190829067" to vote.

Step 11 : On the voting page, you will see Resolution description and against the same the option 'YES/NO' for voting. Select the relevant option as desired YES or NO and click on submit.

Step 12 : Click on the Resolution File Link if you wish to view the Notice.

Step 13 : 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.

Step 14 : Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

SECTION B - COMMENCEMENT OF E-VOTING PERIOD AND OTHER E-VOTING INSTRUCTIONS

- I. The e-Voting period commences on September 25, 2019 (9.00 a.m.) and ends on September 29, 2019 (5.00 p.m.). During this period, the shareholders of the Company, holding shares either in physical form or in dematerialized form, as on cutoff date (record date) of September 20, 2019 may cast their vote electronically. The e-Voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- ii. The voting rights of shareholders shall be in proportion to their shares of the Paid up Equity Share Capital of the Company.
- iii. CS Nirav Soni, Practicing Company Secretary (Membership No.: ACS A39566; CP No: 14695) (Address: D/37, RATILAL PARK NEAR DARPAN SIX ROADS NARANPURA, AHMEDABAD, GUJARAT) has been appointed as the Scrutinizer to scrutinize the e-Voting process.
- iv. The Scrutinizer shall, within a period not exceeding three (3) working days from the conclusion of the e-voting period, unblock the votes in the presence of at least 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 and submit forth with to the Chairman of the Company.
- v. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.lippiSYSTEMS.com and on the website of CDSL <https://www.evotingindia.co.in> within two days of the passing of the resolutions at the AGM of the Company and communicated to the BSE Limited, where the shares of the Company are listed.

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- vi. The resolutions shall be deemed to be passed on the date of the Annual General Meeting, subject to receipt of sufficient votes.
- vii. For Members holding shares in physical form, the password and default number can be used only for e-Voting on the resolutions given in the notice.
- viii. 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, link their account which they wish to vote on and then cast their vote. They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com. They should also upload a scanned copy of the Board Resolution / Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the vote.
- ix. You can also update your mobile number and E-mail ID in the user profile details of the folio which may be used for sending communication(s) regarding CDSL e-Voting system in future. The same may be used in case the Member forgets the password and the same needs to be reset.
- x. 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.com under help section or write an email to helpdesk.evoting@cdslindia.com.

Contact Details:

Company: Lippi Systems Limited (CIN: L22100GJ1993PLC020382),
3rd Floor, Opp. IOC Petrol Pump, Nr. Ashwamegh-IV, 132ft Ring Road,
Satellite, Ahmedabad-380015, Gujarat, India.

E-mail ID : officelippi@gmail.com, cs@lippisystems.com

Registrar and Transfer Agent: Cameo Corporate Services Limited
"Subramanian Building", 1, Club House Road, Chennai-600002

Phone number : 044-28460390, Fax: 044-28460129

E-mail : investor@cameoindia.com.

e-Voting Agency: Central Depository Services (India) Limited

E-mail ID : helpdesk.evoting@cdslindia.com

Scrutinizer : CS Nirav Soni,
Practicing Company Secretary

E-mail ID : niravsoni003@gmail.com.

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ANNEXURE TO NOTICE

The Statement pursuant to Section 102 (1) of the Companies Act, 2013 (“the Act”) and Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

ITEM NO.3:

Ms. Swetal Sapra was appointed as an Additional Director by the Board of Directors in its meeting held on 14th August, 2019. Pursuant to Section 161 of the Companies Act, 2013 ('Act'). Ms. Swetal Sapra, aged 48 years, is Masters in commerce have an experience of about 17 years in sales tax and GST. The Company has received from Ms. Swetal Sapra (i) consent in writing to act as Director in Form DIR- 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014 to the effect that she is not disqualified under Section 164(2) of the Act; and (iii) declaration to the effect that she meets the criteria of independence as provided in Section 149 of the Act. The Board of Directors of your Company, after reviewing the provisions of the Act, is of the opinion that Ms. Swetal Sapra fulfils the conditions specified in the Act and Rules made thereunder and that she is Independent of the management. A copy of the draft letter of appointment of Ms. Swetal Sapra as an Independent Woman Director setting out the terms and conditions is available for inspection at the registered office of the Company during normal business hours on all working days upto the date of Annual General Meeting. Except Ms. Swetal Sapra, no other Director or key managerial personnel of the Company or their relatives is concerned or interested in the proposed resolution. The resolution seeks approval of the members for the appointment of Ms. Swetal Sapra as an Independent Woman Director of the Company for a term of five consecutive years pursuant to Section 149 and other applicable provisions of the Act and Rules made thereunder and that he shall not be liable to retire by rotation nor required to hold any qualification shares as per Articles of Association of the Company. The Board recommends the resolution set forth in item No.3 for the approval of the members.

Place: - Ahmedabad

By order of the Board of Directors

Date: - 14/08/2019

Nandlal J. Agrawal
Chairman & Managing Director
(DIN:00336556)

LIPPI SYSTEMS LIMITED

DIRECTORS REPORT

To,
The Members of,
LIPPI SYSTEMS LIMITED

Your directors have pleasure in presenting their 26th Annual Report together with the Audited Annual accounts for the year ended on 31st March, 2019.

FINANCIAL RESULTS:

(Rs in Lacs)

Particulars:	2018-19	2017-18
Net Sales	1594.72	1605.70
Other Income	105.68	114.04
Finance Cost	104.62	92.59
Depreciation	148.60	149.36
Income Tax Provision	21.41	33.57
Deferred Tax Liability	(16.30)	64.42
Net Profit	79.64	96.02

OPERATIONS:

Your directors are pleased to report that for the year under review, your Company has been able to achieve a net turnover of Rs. 15.95 crores as compared to Rs. 16.06 crores for the previous year. Your company could achieve a net profit of Rs. 79.64 lacs as against a net profit of Rs. 96.02 lacs for the preceding year.

Your directors expect better results for the current year.

CAPITAL STRUCTURE

The Authorised Share Capital of the Company as on March 31, 2019 was Rs 10,00,00,000 (Rupees Ten crores) divided into 1,00,00,000 (One crores) equity shares of Rs 10 each.

The paid up share capital of the Company as on March 31, 2019, was Rs 7,00,00,000 (Rupees Seven crores only) divided into 7000000 (Seventy lakhs) equity shares of Rs 10 each.

DIVIDEND:

In view of the marginal profits for the year under review, your directors have not recommended any dividend for the year under report.

DEPOSITS:

During the year under review your company has not accepted any fixed deposits from the public under section 73 of companies act, 2013, and therefore no information is required to be furnished in respect of outstanding deposits.

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VIGIL MECHANISM/WHISTLE BLOWER POLICY:

Pursuant to Section 177(9) of the Companies Act, 2013 and as per SEBI (Listing Obligation and Discourse Requirements) Regulations, 2015, the Company has formulated a Whistle Blower Policy to establish a vigil mechanism for directors and employees of the Company. The purpose and objective of this Policy is to provide a framework to promote responsible and secure whistle blowing. It protects the employees wishing to raise a concern about serious irregularities within the Company. The details of the Whistle Blower Policy are posted on the website (www.lippiSYSTEMS.com) of the Company.

SECRETARIAL STANDARDS

The Company has complied with the provisions of 'revised' SS-1--- Secretarial Standards on meetings of the Board of Directors which has come into effect from October 01, 2017 and also SS- 2--- Secretarial Standard on General Meetings during the year.

RISK MANAGEMENT AND INTERNAL CONTROL SYSTEMS:

The Company has established a well-defined process of risk management, wherein the identification, analysis and assessment of the various risks, measuring of the probable impact of such risks, formulation of risk mitigation strategy and implementation of the same takes place in a structured manner. Though the various risks associated with the business cannot be eliminated completely, all efforts are made to minimize the impact of such risks on the operations of the Company. Necessary internal control systems are also put in place by the Company on various activities across the board to ensure that business operations are directed towards attaining the stated organizational objectives with optimum utilization of the resources. Apart from these internal control procedures, a well-defined and established system of internal audit is in operation to independently review and strengthen these control measures, which is carried out by a reputed firm of Chartered Accountants. The Audit Committee of the Company regularly reviews the reports of the internal auditors and recommends actions for further improvement of the internal controls. The Risk Management policy is posted on the website of the Company.

RELATED PARTY TRANSACTIONS:

The Company has entered into related party transaction with relative of promoter Ms. Shashiben G. Gupta (Wife of Mr. Nandlal J. Agrawal, MD & Chairman) during the financial year 2018-19, the details of which are given in the notes forming parts of Financial Statements. All Related Party Transactions entered into are on an arm's length basis. There are no materially significant Related Party Transactions made by the Company with promoters, directors, Key Managerial Personnel or other designated persons which may have potential conflict with the interests of the Company at large.

On the recommendation of the Audit Committee, the Board of Directors has adopted a policy on Related Party Transactions, which is also uploaded on the website of the Company (www.lippiSYSTEMS.com) under the head of 'Investor'. The Policy envisages the procedure governing related party transactions required to be followed to ensure compliance with the applicable laws and regulations as well as to ensure that the Related Party Transactions are managed and disclosed in accordance with the strict legal and accounting requirements.

A statement of all related party transactions is presented before the Audit Committee on

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a quarterly basis, specifying the nature, value and terms & conditions of the transactions. The statement is supported by a certificate from the CEO/ CFO.

None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company.

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT:

Management's Discussion and Analysis Report for the year under review, as stipulated under SEBI (Listing Obligation and Discourse Requirements) Regulations, 2015, is presented in a separate section forming part of the Annual Report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

There are no significant and material orders passed by the Regulators/Courts which would impact the going concern status of the Company and its future operations.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

No material changes and commitments affecting the financial position of the company have occurred between the end of the financial year of the company to which the financial statements relate and the date of this report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The company has not given any loans or guarantees or investments covered under the provisions of section 186 of the Companies Act, 2013 during the Financial Year 2018-19

TRANSFER TO RESERVES:

The Company has transferred current year's profit of Rs. 7963758/- to the Reserve & Surplus and the same is in compliance with the applicable provisions prescribed under the Companies Act, 2013.

DIRECTORS:

(i) Appointment

Ms. Swetal Sapra, was appointed as an Additional Woman Director in the Board of Directors Meeting held on 14.08.2019 and it is proposed to appoint her as Woman Independent Director for the period of 5 years from 14.08.2019.

(ii) Retirement by rotation

In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. Nandlal J. Agrawal (DIN: 00336556) retires by rotation and is eligible for reappointment.

(iii) Declarations by Independent Directors

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligation and Discourse Requirements) Regulations, 2015.