

ERP SOFT SYSTEMS LIMITED
(CIN:L67120TN1994PLC029563)

To,

Date: 13.08.2024

BSE Limited
P.J.Towers, Dalal Street
Mumbai - 400001

Dear Sir/Madam,

Sub: Annual Report for the Financial Year 2023-24

Unit: ERP Soft Systems Limited (Scrip Code: 530909)

With reference to the subject cited, pursuant to Regulation 34 of SEBI (LODR) Regulations 2015, we are herewith enclosing the 30th Annual Report of the Company for the Financial Year 2023-24 scheduled to be held on Thursday, 05th Day of September, 2024 at 10:00 a.m. through video conferencing/OAVM.

This is for the information and records of the Exchange, please.

Thanking you.

Yours sincerely,
For ERP Soft Systems Limited



K. Parvathi Reddy
Managing Director
DIN: 00827258



Encl: as above

**Registered Office : 10A, Tranquill Nest, Kamakoti Nagar, 3rd main road,
Pallikaranai - 600100, India Ph:+91 73388 55022
Mail Id : info@erpsoft.com. www.erpsoft.com**



ERP SOFT SYSTEMS LIMITED

**30th
ANNUAL REPORT
2023-24**

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. Rathnakara Reddy Avileli - Independent Director (DIN: 03210443)
4. Ms. Savitha Pottekula - Independent Director (DIN: 07952700)

CHIEF FINANCIAL OFFICER:

Mr. Ila Raveendra Babu

COMPANY SECRETARY & COMPLIANCE OFFICER:

Ms. Shivangi Choudhry

REGISTERED OFFICE:

10A Trankquill Nest,
Kamakoti Nagar,
3rd Main Road Pallikaranai,
Chennai, Kancheepuram, India
Ph: +91 73388 55022
info@erpsoft.com

STATUTORY AUDITORS:

Vijayaraghavan & Associates
Chartered Accountants
51, Giri Road, T.Nagar,
Chennai - 600017.

CIN: L67120TN1994PLC029563
ISIN: INE308B01017

BANKERS:

ICICI Bank Limited
A-78, Plot No 3211
Rd 3 Avenue, Anna Nagar Branch
Chennai – 600102

AUDIT COMMITTEE:

1. Mr. Rathnakara Reddy Avileli - Chairman
2. Ms. Savitha Pottekula - Member
3. Mrs. D. Sarojanamma - Member

ERP SOFT SYSTEMS LIMITED

NOMINATION & REMUNERATION COMMITTEE:

1. Mr. Rathnakara Reddy Avileli - Chairman
2. Ms. Savitha Pottekula - Member
3. Mrs. D. Sarojanamma - Member

STAKEHOLDER RELATIONSHIP COMMITTEE:

1. Mr. Rathnakara Reddy Avileli - Chairman
2. Ms. Savitha Pottekula - Member
3. Mrs. D. Sarojanamma - Member

INDEPENDENT DIRECTORS COMMITTEE:

1. Ms. Savitha Pottekula
2. Mr. Rathnakara Reddy Avileli

LISTING: BSE Limited

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

CONTACT DETAILS:

E-Mail : investorcare@erpsoft.com
Website : www.erpsoft.com
Phone : +91-7338855022

ERP SOFT SYSTEMS LIMITED

NOTICE

Notice is hereby given that the 30th Annual General Meeting of the members of the ERP Soft Systems Limited will be held on Thursday, the 05th day of September, 2024 at 10:00 a.m. through Video Conferencing/ Other Audio Visual Means (OAVM), to transact the following Business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2024 and 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. Appointment of Ms. Savitha Pottekula (DIN: 07952700) as an Independent 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 Sections 149, 150, 152, 160 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Provisions of SEBI (LODR) Regulations, 2015, Ms. Savitha Pottekula (DIN: 07952700), who was appointed as additional Director of the Company in the Independent category in the board meeting held on 03.07.2024 and holds office up to the date of the next annual general meeting or the last date on which the annual general meeting should have been held, whichever is earlier and who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013, and the rules made there under, be and is hereby appointed as an Independent Director of the Company for a term of five consecutive years with effect from 03.07.2024 to 02.07.2029 who shall not be liable to retire by rotation.”

ERP SOFT SYSTEMS LIMITED

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

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

**Place: Chennai
Date: 03.07.2024**

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

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE
COMPANIES ACT, 2013 AND REGULATIONS OF SEBI (LODR),
REGULATIONS, 2015:**

Item No.3:

Ms. Savitha Pottekula was appointed as Additional Director of the Company on 03.07.2024 in terms of Section 161 (1) of the Companies Act, 2013 and provisions of SEBI (LODR) Regulations, 2015 in the category of 'Non-Executive Independent', who hold office up to the date of the next annual general meeting or the last date on which the annual general meeting should have been held, whichever is earlier and is eligible for appointment to the office of a Director at General Meeting in terms of Section 160 of the Companies Act, 2013. The Company has received a notice from a member under Section 160 of the Companies Act 2013, for appointment of Ms. Savitha Pottekula for the office of Director in Independent category.

In order to ensure compliance with the provisions of Sections 149 and 152 of the Companies Act, 2013 read with Rules made there under and Schedule IV of the Act, it is proposed that approval of the shareholders be accorded for the appointment of Ms. Savitha Pottekula as 'Non-executive Independent Director for a term up to 5 consecutive years commencing from the date of her appointment as an Independent Director i.e., w.e.f. 03.07.2024 to 02.07.2029.

Accordingly, the Board of Directors recommends the passing of the above resolution as Special Resolution set out in the item no. 3 of the notice for appointment of Ms. Savitha Pottekula as Independent Director.

None of the Directors or Key Managerial Personnel or any relative of any of the Directors/ Key Managerial Personnel of the Company except the appointee are, in any way, concerned or interested, financially or otherwise, in the resolution.

ERP SOFT SYSTEMS LIMITED

As required under regulation 36 (3) of the SEBI (LODR), Regulations, 2015, brief particulars of the Directors seeking appointment/re-appointment are given as under:

Name of the Director	Ms. Savitha Pottekula
DIN	07952700
Date of Birth/Age	20-11-1975/ 48 Years
Date of First Appointment on the Board	03.07.2024
Meetings attended during the year	NA
Brief Resume, Qualification and Experience	Ms. Savitha Pottekula is a Graduate in Bachelor of Engineering. She has vast experience in Information Technology related activities
Skills and capabilities required for the role and the manner in which the proposed person meets such requirements	Ms. Savitha Pottekula is experienced in Information Technology related activities and her leadership skills will help the Company in strengthening the business
Remuneration drawn, if any	NA
Nature of Expertise in specific functional area	Ms. Savitha Pottekula has vast experience in Information Technology related activities
Number of shares held in the Company	Nil
Name of the Listed entities in which the person also holds the directorship and the membership of the committees of the Board along with the Listed entities from which the person has resigned in the past three years	Nil

ERP SOFT SYSTEMS LIMITED

Disclosure of relationships between directors inter-se	Nil
Other Directorships, Membership / Chairmanship of Committees of other Boards	Nil

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

**Place: Chennai
Date: 03.07.2024**

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

NOTES:

1. In view of the continuing Covid-19 pandemic and consequential restrictions imposed on the movements of people, the Ministry of Corporate Affairs (“MCA”) has vide its General Circular No. 02/2021 dated January 13, 2021 read with Circular No. 20/2020 dated May 05, 2020 in conjunction with Circular No. 14/2020 dated April 08, 2020 and Circular No. 17/2020 dated April 13, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021, 20/2021 dated December 08, 2021 and Circular No. 03/2022 dated 05.05.2022, Circular no. 9/2023 dated 25.09.2023, Circular SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 issued by SEBI (collectively referred to as “MCA Circulars”) and SEBI Circular No. SEBI/ HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and SEBI/HO/CFD/CMD2/CIR/P/2021/ 11 dated January 15, 2021, Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), the MCA Circulars granted certain relaxations and thus permitted the holding of Annual General Meeting (“AGM”) of the companies through VC/OAVM viz. without the physical presence of the Members at a common venue. Hence in compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and MCA / SEBI Circulars, as applicable, the AGM of the Company is being held through VC / OAVM (e-AGM).
2. In compliance with applicable provisions of the Act read with the MCA Circulars and the Listing Regulations, the AGM of the Company is being conducted through VC/OAVM. In accordance with the Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India (“ICSI”) read with Clarification/Guidance on applicability of Secretarial Standards - 1 and 2 dated 15th April, 2020 issued by the ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the AGM.
3. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.

ERP SOFT SYSTEMS LIMITED

4. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
6. The company has appointed M/s. Vivek Surana & Associates, Practicing Company Secretaries, as scrutinizer of the company to scrutinize the voting process.
7. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
8. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.erpsoft.com. The Notice can also be accessed from the website of BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e., www.evotingindia.com.
9. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020

and MCA Circular No. 2/2021 dated January 13, 2021, 20/2021 dated December 08, 2021 and Circular No. 03/2022 dated 05.05.2022.

10. Since the AGM will be held through VC/OAVM Facility, Proxy form, Attendance Slip and the Route Map is not annexed in this Notice.

THE INSTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING AND E- VOTING DURING AGM AND JOINING MEETING THROUGH VC/OAVM AREAS UNDER:

- (i) The voting period begins on 02.09.2024 at 09.00 A.M and ends on 04.09.2024 at 05.00 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 (record date) 29.08.2024 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

ERP SOFT SYSTEMS LIMITED

Type of shareholders	Login Method
<p>Individual Shareholders holding securities in Demat mode with CDSL</p>	<ol style="list-style-type: none"> <li data-bbox="429 207 962 448">1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. <li data-bbox="429 464 962 756">2) After successful login the Easi / Easiest user will be able to see the e- Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e., CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. <li data-bbox="429 773 962 837">3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration. <li data-bbox="429 854 962 1308">4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e- Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.

ERP SOFT SYSTEMS LIMITED

Individual Shareholders holding securities in demat mode with NSDL

1) If you are already registered for NSDL IDeAS facility, please visit the e- Services website of NSDL. Open web browser by typing the following URL: <https://eservices.nsd.com> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e- Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

2) If the user is not registered for IDeAS e-Services, option to register is available at <https://eservices.nsd.com>. Select "Register Online for IDeAS "Portal or click at <https://eservices.nsd.com/SecureWeb/Idea sDirectReg.jsp>

Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsd.com/> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e- Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

ERP SOFT SYSTEMS LIMITED

Individual Shareholders (holding securities in Demat mode) log in through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
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- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e., CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

ERP SOFT SYSTEMS LIMITED

- (v) Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders holding in Demat form & physical shareholders.
- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
 - 2) Click on “Shareholders” module.
 - 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
 - 4) Next enter the Image Verification as displayed and Click on Login.
 - 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
 - 6) If you are a first-time user follow the steps given below:

	For Shareholders holding shares in Demat Form and other than individual 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">• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login.</p> <ol style="list-style-type: none">1. If both the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

ERP SOFT SYSTEMS LIMITED

- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant < ERP SOFT SYSTEMS LIMITED > on which you choose to vote.
- (x) 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.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) 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.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) Facility for Non – Individual Shareholders and Custodians –Remote Voting

ERP SOFT SYSTEMS LIMITED

- Non-Individual shareholders (i.e., other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- 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 a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login 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.
- Alternatively, Non-Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; investorcare@erpsoft.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

ERP SOFT SYSTEMS LIMITED

6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 5 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at investorcare@erpsoft.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 5 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at investorcare@erpsoft.com. These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
- 11. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**
 1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company/RTA email id.
 2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)
 3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

ERP SOFT SYSTEMS LIMITED

4. If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e- Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022-23058542/43.
5. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com.

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

**Place: Chennai
Date: 03.07.2024**

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

ERP SOFT SYSTEMS LIMITED

DIRECTORS' REPORT

To

The Members of ERP Soft Systems Limited

We have pleasure in presenting the 30th Directors' Report on the Business and Operations of the Company together with the audited Financial Statements (both standalone and consolidated) for the year ended 31st March, 2024.

1. FINANCIAL SUMMARY/HIGHLIGHTS:

The performance of the Company during the year has been as under:

(Rs. In Lakhs)

(Rs. In Lakhs)

Consolidated		Particular	Standalone	
2023-24	2022-23		2023-24	2022-23
1,170.37	2,353.70	Revenue from Operations	212.62	306.18
0.22	2.10	Other Income (Including Exceptional Items)	0.22	2.10
1,146.34	2,313.00	Total Expenses	199.25	298.49
24.25	42.80	Profit Before Tax	13.59	9.79
6.86	11.58	Less: Provision for Taxation	4.19	3.25
17.39	31.22	Profit / (Loss) After Tax	9.40	7.44
-	-	Other Comprehensive Income	-	-
17.39	31.22	Total Comprehensive Income	9.40	7.44
0.44	0.79	Earning per Equity Share	0.24	0.19
0.44	0.79	Basic	0.24	0.19
		Diluted (in Rs.)		

2. REVIEW OF OPERATIONS:

Standalone:

During the Year under the review, the Company has recorded an Income of Rs. 212.62 Lakhs and a profit of Rs. 9.40 Lakhs as against the Income of Rs. 306.18 Lakhs and profit of Rs. 7.44 Lakhs in the previous financial year ending 31.03.2023.

Consolidated:

During the Year under the review, the Company has recorded an Income of Rs. 1,170.37 Lakhs and profit of Rs. 17.39 Lakhs as against the Income of Rs. 2,353.70 Lakhs and profit of Rs. 31.22 Lakhs in the previous financial year ending 31.03.2023.

3. BUSINESS UPDATE AND STATE OF COMPANY'S AFFAIRS:

The information on Company's affairs and related aspects is provided under Management Discussion and Analysis report, which has been prepared, inter-alia, in compliance with Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) regulations, 2015 and forms part of this Report.

4. RESERVES:

Pursuant to provisions of Section 134 (3) (j) of the Companies Act, 2013, the company has not proposed to transfer any amount to general reserves account of the company during the year under review.

The closing balance of reserves, including retained earnings, of the Company as at March, 31st 2024 is Rs.326.90 Lakhs.

5. DIVIDEND:

Your Directors have decided not to recommend dividend for the year 2023-24.

6. CHANGE IN THE NATURE OF THE BUSINESS, IF ANY:

During the period under review and the date of Board's Report there was no change in the nature of Business.

7. MATERIAL CHANGES AND COMMITMENTS:

There are no major material changes and commitments affecting the financial position of the Company after the end of the financial year and up to date of this report (i.e. 03.07.2024).

8. REVISION OF FINANCIAL STATEMENTS:

There was no revision of the financial statements for the year under review.

9. AUTHORISED AND PAID-UP CAPITAL OF THE COMPANY:

The Authorised share capital of the Company as on 31.03.2024 is Rs. 4,50,00,000/- divided into 45,00,000 equity shares of Rs.10/- each.

The Paid up share capital of the Company as on 31.03.2024 is Rs. 3,96,00,000/- divided into 39,60,000 equity shares of Rs.10/- each.

10. APPOINTMENT / RE-APPOINTMENT / RESIGNATION / RETIREMENT OF DIRECTORS /CEO/ CFO AND KEY MANAGERIAL PERSONNEL:

- a. During the year the following directors were resigned:

Resignation of Ms. Rajan Kamala Mohan as Independent Director w.e.f. 03.07.2024

- b. During the year the following directors were appointed:

Appointment of Ms. Savitha Pottekula as Independent Director w.e.f. 03.07.2024

- c. Information u/r 36(3) of SEBI (LODR), Regulations, 2015:

As required under regulation 36 (3) of the SEBI (LODR), Regulations, 2015, brief particulars of the Directors seeking appointment/re-appointments are given as Annexure A to the notice of the AGM forming part of this Annual Report.

11. DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS:

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with both the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and under Reg.16(1)(b) read with Reg. 25 of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015.

In compliance with Rule 6 of Companies (Appointment and Qualification of Directors) Rules, 2014, all the PIDs of the Company have registered themselves with the India Institute of Corporate Affairs (IICA), Manesar and have included their names in the databank of Independent Directors within the statutory timeline.

ERP SOFT SYSTEMS LIMITED

The Independent Directors have also confirmed that they have complied with Schedule IV of the Act and the Company's Code of Conduct. In terms of Reg. 25(8) of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

During the year, Independent Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board of Directors and Committee(s).

12. BOARD MEETINGS:

The Board of Directors duly met Four (04) times during the financial year from 1st April 2023 to 31st March 2024. The dates on which the meetings were held are 29.05.2023, 14.08.2023, 14.11.2023 and 13.02.2024 and in respect of which meetings, proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.

Name	Designation	No. of meetings held	No. of meeting attended
Mrs. K. Parvathi Reddy	Managing Director	4	4
Mrs. D. Sarojanamma	Non-Executive Director	4	4
*Mrs. R. Kamala Mohan	Independent Director	4	4
Mr. Rathnakara Reddy Avileli	Independent Director	4	4
#Ms. Savitha Pottekula	Independent Director	--	--

* Mrs. R. Kamala Mohan resigned as Independent Director w.e.f. 03.07.2024

Ms. Savitha Pottekula appointed as Independent Director w.e.f. 03.07.2024

13. BOARD EVALUATION:

The Board of Directors has carried out an annual evaluation of its own performance, board committees, and individual directors pursuant to the provisions of the Act and SEBI Listing Regulations.

The performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.

The above criteria are based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017.

In a separate meeting of independent directors was conducted on 13.02.2024 to evaluate the performance of non-independent directors, the board as a whole and the Chairman of the Company, taking into account the views of executive directors and nonexecutive directors.

The Board reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

14. STATEMENT SHOWING THE NAMES OF THE TOP TEN EMPLOYEES IN TERMS OF REMUNERATION DRAWN AND THE NAME OF EVERY EMPLOYEE AS PER RULE 5(2) & (3) OF THE COMPANIES (APPOINTMENT & REMUNERATION) RULES, 2014:

A table containing the particulars in accordance with the provisions of Section 197 (12) of the Act, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended as Annexure V (a) to this Report.

A statement showing the names of the top ten employees in terms of remuneration drawn and the name of every employee is annexed to this Annual report as Annexure V (b).

During the year, NONE of the employees is drawing a remuneration of Rs.1,02,00,000/- and above per annum or Rs.8,50,000/- and above in aggregate per month, the limits specified under the Section 197(12) of the Companies Act,2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

15. RATIO OF REMUNERATION TO EACH DIRECTOR:

Under section 197(12) of the Companies Act, 2013, and Rule 5(1) (2) &

(3) of the Companies (Appointment & Remuneration) Rules, 2014 read with Schedule V of the Companies Act, 2013 the ratio of remuneration of Mrs. K. Parvathi Reddy, Managing Director of the Company to the median remuneration of the employees is 1.85:1

16. DIRECTOR'S RESPONSIBILITY STATEMENT:

Pursuant to the requirement of Section 134(3) (c) and 134 (5) of the Companies Act, 2013 and on the basis of explanation given by the executives of the Company and subject to disclosures in the Annual Accounts of the Company from time to time, we state as under:

1. That in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
2. That the Directors have selected such accounting policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
3. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. That the Directors have prepared the annual accounts on a going concern basis;
5. That the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
6. That the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

17. DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS:

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. The Company maintains appropriate system of internal control, including monitoring procedures, to ensure that all assets are safeguarded against loss from unauthorized use or disposition. Company policies, guidelines and procedures provide for adequate checks and balances, and are

meant to ensure that all transactions are authorized, recorded and reported correctly.

During the period under review, there is no material or serious observations have been noticed for inefficiency or inadequacy of such controls.

Further, details of internal financial control and its adequacy are included in the Management Discussion and Analysis Report which is appended as Annexure IV and forms part of this Report.

18. NO FRAUDS REPORTED BY STATUTORY AUDITORS:

During the Financial Year 2023-24, the Auditors have not reported any matter under section 143(12) of the Companies Act, 2013, therefore no detail is required to be disclosed under section 134(3) (ca) of the Companies Act, 2013.

19. INFORMATION ABOUT THE FINANCIAL PERFORMANCE / FINANCIAL POSITION OF THE SUBSIDIARIES / ASSOCIATES/ JOINT VENTURES:

As on 31st March, 2024, the Company has a wholly owned subsidiary Company namely Libertycom LLC in USA. The Financial performance of the subsidiary Company is mentioned in Form AOC- 1 in accordance with Section 129(3) of the Companies Act, 2013 which is annexed as Annexure I to this report.

Further, audited financial statements together with related information and other reports of the subsidiary Company, have also been placed on the website of the Company at www.erpsoft.com.

20. NAMES OF THE COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR:

During the year under review, no Company has become or ceased to become its subsidiary, joint venture or associate Company.

21. DETAILS RELATING TO DEPOSITS:

The Company has not accepted any public deposits during the Financial Year ended March 31, 2024 and as such, no amount of principal or interest on public deposits was outstanding as on the date of the balance sheet.

22. DETAILS OF DEPOSITS NOT IN COMPLIANCE WITH THE REQUIREMENTS OF THE ACT:

Since the Company has not accepted any deposits during the Financial Year ended March 31, 2024, there has been no non-compliance with the requirements of the Act.

Pursuant to the Ministry of Corporate Affairs (MCA) notification dated 22nd January 2019 amending the Companies (Acceptance of Deposits) Rules, 2014, the Company is required to file with the Registrar of Companies (ROC) requisite returns in Form DPT-3 for outstanding receipt of money/loan by the Company, which is not considered as deposits.

The Company has complied with this requirement within the prescribed timelines.

23. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The Company has not given loans, Guarantees or made any investments attracting the provision of Section 186 of the Companies Act, 2013 during the year under review.

24. RISK MANAGEMENT POLICY:

Your Company follows a comprehensive system of Risk Management. Your Company has adopted a procedure for assessment and minimization of probable risks. It ensures that all the risks are timely defined and mitigated in accordance with the well-structured risk management process.

25. INVESTOR EDUCATION AND PROTECTION FUND (IEPF):

Pursuant to the provisions of Section 124 of the Act, Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") read with the relevant circulars and amendments thereto, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund ("IEPF"), constituted by the Central Government.

During the Year, no amount of dividend was unpaid or unclaimed for a period of seven years and therefore no amount is required to be transferred to Investor Education and Provident Fund under the Section 125(1) and Section 125(2) of the Act.

26. TRANSFER OF SHARES AND UNPAID/UNCLAIMED AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF):

Pursuant to the provisions of Section 124 of the Act, Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (“IEPF Rules”) read with the relevant circulars and amendments thereto, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund (“IEPF”), constituted by the Central Government.

During the Year, no amount of dividend was unpaid or unclaimed for a period of seven years and therefore no amount is required to be transferred to Investor Education and Provident Fund under the Section 125(1) and Section 125(2) of the Act.

27. RELATED PARTY TRANSACTIONS:

Our Company has formulated a policy on related party transactions which is also available on Company’s website at www.erpsoft.com. This policy deals with the review and approval of related party transactions.

All related party transactions that were entered into during the financial year were on arm’s length basis and were in the ordinary course of business. There were no material significant related party transactions made by the Company with the Promoters, Directors, Key Managerial Personnel or the Senior Management which may have a potential conflict with the interest of the Company at large.

Particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013 in the prescribed Form AOC-2 is appended as Annexure III which forms part of this Report.

All related party transactions were placed before the Audit Committee/Board for approval. Prior approval of the Audit Committee was obtained for the transactions which are foreseen and are in repetitive in nature. Members may refer to note no. 23 to the financial statements which sets out related party disclosures pursuant to IND AS-24.

28. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:

The particulars as prescribed under Section 134(3) (m) of the Companies Act, 2013, is provided hereunder:

A. Conservation of Energy:

Your Company's operations are not energy intensive. Adequate measures have been taken to conserve energy wherever possible by using energy efficient computers and purchase of energy efficient equipment.

B. Research & Development and Technology Absorption:

1. Research and Development (R&D): NIL
2. Technology absorption, adoption and innovation: NIL

C. Foreign Exchange Earnings and Out Go:

Foreign Exchange Earnings: Rs. 2,12,62,206/-

Foreign Exchange Outgo: NIL

29. COMMITTEES:

- (I). Terms of reference of Audit committee covers all the matters prescribed under Regulation 18 of the Listing Regulations and Section 177 of the Act, 2013.

A. BRIEF DESCRIPTION OF TERMS OF REFERENCE:

The terms of reference of the Audit Committee encompasses the requirements of Section 177 of Companies Act, 2013 and as per Regulation 18 of SEBI (LODR) Regulations, 2015 and, inter alia, includes:

- i. Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- ii. Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- iii. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- iv. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

ERP SOFT SYSTEMS LIMITED

- a. Matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
- b. Changes, if any, in accounting policies and practices and reasons for the same;
- c. Major accounting entries involving estimates based on the exercise of judgment by management;
- d. Significant adjustments made in the financial statements arising out of audit findings;
- e. Compliance with listing and other legal requirements relating to financial statements;
- f. Disclosure of any related party transactions;
- g. Modified opinion(s) in the draft audit report;
- v. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- vi. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of [public issue or rights issue or preferential issue or qualified institutions placement], and making appropriate recommendations to the board to take up steps in this matter;
- vii. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- viii. Approval or any subsequent modification of transactions of the listed entity with related parties;
- ix. Scrutiny of inter-corporate loans and investments;
- x. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
- xi. Evaluation of internal financial controls and risk management systems;
- xii. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

ERP SOFT SYSTEMS LIMITED

- xiii. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- xiv. Discussion with internal auditors of any significant findings and follow up there on;
- xv. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- xvi. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- xvii. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- xviii. To review the functioning of the whistle blower mechanism;
- xix. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- xx. Carrying out any other function as is mentioned in the terms of reference of the audit committee.
- xxi. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- xxii. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
- xxiii. Carrying out any other function as may be referred to the Committee by the Board.
- xxiv. Authority to review / investigate into any matter covered by Section 177 of the Companies Act, 2013 and matters specified in Part C of Schedule II of the Listing Regulations.

ERP SOFT SYSTEMS LIMITED

B. THE AUDIT COMMITTEE SHALL MANDATORILY REVIEW THE FOLLOWING INFORMATION:

- i. Management discussion and analysis of financial condition and results of operations;
- ii. Management letters / letters of internal control weaknesses issued by the statutory auditors;
- iii. Internal audit reports relating to internal control weaknesses; and
- iv. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- v. Statement of deviations:
 - Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

C. COMPOSITION, MEETINGS & ATTENDANCE:

During the financial year 2023-24, (4) four meetings of the Audit Committee were held on the 29.05.2023, 14.08.2023, 14.11.2023 and 13.02.2024.

Name	Designation	Category	No. of meetings held	No. of meeting attended
Mr. Rathanakar Reddy Avileli	Chairperson	NED (I)	4	4
*Mrs. R. Kamala Mohan	Member	NED (I)	4	4
Mrs. D. Sarojanamma	Member	NED	4	4
# Ms. Savitha Pottakula	Member	NED (I)	--	--

*resigned w.e.f 03.07.2024

appointed w.e.f 03.07.2024

NED (I): Non-Executive Independent director

NED: Non-Executive director

During the year, all recommendations of Audit Committee were approved by the Board of Directors.

(II). NOMINATION AND REMUNERATION COMMITTEE

A. BRIEF DESCRIPTION OF TERMS OF REFERENCE

- i. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- ii. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - a. use the services of an external agencies, if required;
 - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c. consider the time commitments of the candidates.
- iii. Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- iv. Devising a policy on diversity of board of directors;
- v. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- vi. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- vii. Recommend to the board, all remuneration, in whatever form, payable to senior management.

B. COMPOSITION OF THE COMMITTEE, MEETINGS AND ATTENDANCE DURING THE YEAR:

During the financial year 2023-24, (1) one meeting of the Nomination and Remuneration Committee were held on the 13.02.2024.

Name	Designation	Category	No. of meetings held	No. of meeting attended
Mr. Rathanakar Reddy Avileli	Chairperson	NED (I)	1	1
*Mrs. R. Kamala Mohan	Member	NED (I)	1	1
Mrs. D. Sarojamma	Member	NED	1	1
# Ms. Savitha Pottekula	Member	NED (I)	--	--

* resigned w.e.f 03.07.2024

appointed w.e.f 03.07.2024

NED (I): Non-Executive Independent director

NED: Non-Executive director

POLICY FOR SELECTION OF DIRECTORS AND DETERMINING DIRECTORS' INDEPENDENCE:**1. Scope:**

This policy sets out the guiding principles for the Nomination & Remuneration Committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as independent Directors of the Company.

2. Terms and References:

2.1 "Director" means a director appointed to the Board of a Company.

2.2 "Nomination and Remuneration Committee means the committee constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2.3 "Independent Director" means a Director referred to in sub-Section (6) of Section 149 of the Companies Act, 2013 and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

3. Policy:
- 3.1 Qualifications and criteria
- 3.1.1 The Nomination and Remuneration Committee, and the Board, shall review on annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a board with diverse background and experience that are relevant for the Company's operations.
- 3.1.2 In evaluating the suitability of individual Board member the NR Committee may take into account factors, such as:
- General understanding of the Company's business dynamics, global business and social perspective;
 - Educational and professional background
 - Standing in the profession;
 - Personal and professional ethics, integrity and values;
 - Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.
- 3.1.3 The proposed appointee shall also fulfil the following requirements:
- shall possess a Director Identification Number;
 - shall not be disqualified under the companies Act, 2013;
 - shall Endeavour to attend all Board Meeting and Wherever he is appointed as a Committee Member, the Committee Meeting;
 - shall abide by the code of Conduct established by the Company for Directors and senior Management personnel;
 - shall disclose his concern or interest in any Company or companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;
 - Such other requirements as any prescribed, from time to time, under the Companies Act, 2013, Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other relevant laws.

3.1.4 The Nomination & Remuneration Committee shall evaluate each individual with the objective of having a group that best enables the success of the Company's business.

3.2 Criteria of Independence

3.2.1 The Nomination & Remuneration Committee shall assess the independence of Directors at time of appointment/ re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interest or relationships are disclosed by a Director.

3.2.2 The criteria of independence shall be in accordance with the guidelines as laid down in Companies Act, 2013 and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

An independent Director in relation to a Company, means a director other than a managing Director or a whole-time Director or a nominee Director

- i. who, in the opinion of the board of directors, is a person of integrity and possesses relevant expertise and experience;
- ii. who is or was not a promoter of the listed entity or its holding, subsidiary or associate company or member of the promoter group of the listed entity;
- iii. who is not related to promoters or directors in the listed entity, its holding, subsidiary or associate company;
- iv. who, apart from receiving director's remuneration, has or had no material pecuniary relationship with the listed entity, its holding, subsidiary or associate company, or their promoters, or directors, during the three immediately preceding financial years or during the current financial year;
- v. none of whose relatives—
 - a. is holding securities of or interest in the listed entity, its holding, subsidiary or associate company during the three immediately preceding financial years or during the current financial year of face value in excess of fifty lakh rupees or two percent of the paid-up capital of the listed entity, its holding, subsidiary or associate company, respectively, or such higher sum as may be specified;

ERP SOFT SYSTEMS LIMITED

- b. is indebted to the listed entity, its holding, subsidiary or associate company or their promoters or directors, in excess of such amount as may be specified during the three immediately preceding financial years or during the current financial year;
 - c. has given a guarantee or provided any security in connection with the indebtedness of any third person to the listed entity, its holding, subsidiary or associate company or their promoters or directors, for such amount as may be specified during the three immediately preceding financial years or during the current financial year; or
 - d. has any other pecuniary transaction or relationship with the listed entity, its holding, subsidiary or associate company amounting to two percent or more of its gross turnover or total income: Provided that the pecuniary relationship or transaction with the listed entity, its holding, subsidiary or associate company or their promoters, or directors in relation to points (A) to (D) above shall not exceed two percent of its gross turnover or total income or fifty lakh rupees or such higher amount as may be specified from time to time, whichever is lower.]
- vi. who, neither himself ["/herself], nor whose relative(s) —
- a. holds or has held the position of a key managerial personnel or is or has been an employee of the listed entity or its holding, subsidiary or associate company or any company belonging to the promoter group of the listed entity, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed:

Provided that in case of a relative, who is an employee other than key managerial personnel, the restriction under this clause shall not apply for his / her employment.
 - b. is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of —
 - (i) a firm of auditors or company secretaries in practice or cost auditors of the listed entity or its holding, subsidiary or associate company; or
 - (ii) any legal or a consulting firm that has or had any transaction with the listed entity, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;
 - c. holds together with his relatives two per cent or more of the total voting power of the listed entity; or

ERP SOFT SYSTEMS LIMITED

- d. is a chief executive or director, by whatever name called, of any non-profit organisation that receives twenty-five per cent or more of its receipts or corpus from the listed entity, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the listed entity;
- e. is a material supplier, service provider or customer or a lessor or lessee of the listed entity;
- vii. who is not less than 21 years of age.
- viii. who is not a non-independent director of another company on the board of which any non-independent director of the listed entity is an independent director:

3.2.3 The independent Director shall abide by the “code for independent Directors” as specified in Schedule IV to the companies Act, 2013.

3.3 Other Directorships/ Committee Memberships

3.3.1 The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance Accordingly, members should voluntarily limit their Directorships in other listed public limited companies in such a way that it does not interfere with their role as Director of the Company. The NR Committee shall take into account the nature of, and the time involved in a Director service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.

3.3.2 A Director shall not serve as Director in more than 20 companies of which not more than 10 shall be public limited companies.

3.3.3 A Director shall not serve as an independent Director in more than 7 listed companies and not more than 3 listed companies in case he is serving as a whole-time Director in any listed Company.

3.3.4 A Director shall not be a member in more than 10 committee or act as chairman of more than 5 committee across all companies in which he holds Directorships.

For the purpose of considering the limit of the committee, Audit committee and stakeholder’s relationship committee of all public limited companies, whether listed or not, shall be included and all other companies including private limited companies, foreign companies and companies under Section 8 of the companies Act,

2013 shall be excluded.

Remuneration policy for Directors, key managerial personnel and other employees:

The objectives of the remuneration policy are to motivate Directors to excel in their performance, recognize their contribution and retain talent in the organization and reward merit.

The remuneration levels are governed by industry pattern, qualifications and experience of the Directors, responsibilities shouldered and individual performance.

Remuneration policy for Directors, key managerial personnel and other employees

1. Scope:

- 0.1 This policy sets out the guiding principles for the Nomination and Remuneration committee for recommending to the Board the remuneration of the Directors, key managerial personnel and other employees of the Company.

2. Terms and Reference:

In this policy the following terms shall have the following meanings:

- 2.1 “Director” means a Director appointed to the Board of the Company.
- 2.2 “key managerial personnel” means
- (i) The Chief Executive Officer or the managing Director or the manager;
 - (ii) The Company Secretary;
 - (iii) The Whole-time Director;
 - (iv) The Chief Financial Officer; and
 - (v) Such other office as may be prescribed under the companies Act, 2013
- 2.3 “Nomination and Remuneration committee” means the committee constituted by Board in accordance with the provisions of Section 178 of the companies Act, 2013, clause 49 of the Equity Listing Agreement and Regulation 19 of SEBI (Listing Obligations and

ERP SOFT SYSTEMS LIMITED

Disclosure Requirements) Regulations, 2015.

3. Policy:
 - 3.1 Remuneration to Executive Director and key managerial personnel
 - 3.1.1 The Board on the recommendation of the Nomination and Remuneration (NR)
 - 3.1.2 The Board on the recommendation of the NR committee shall also review and approve the remuneration payable to the key managerial personnel of the Company.
 - 3.1.3 The remuneration structure to the Executive Director and key managerial personnel shall include the following components:
 - (i) Basic pay
 - (ii) Perquisites and Allowances
 - (iii) Stock Options
 - (iv) Commission (Applicable in case of Executive Directors)
 - (v) Retrial benefits
 - (vi) Annual performance Bonus
 - 3.1.4 The Annual plan and Objectives for Executive committee shall be reviewed by the NR committee and Annual performance bonus will be approved by the committee based on the achievement against the Annual plan and Objectives.
 - 3.2 Remuneration to Non – Executive Directors
 - 3.2.1 The Board, on the recommendation of the NR Committee, shall review and approve the remuneration payable to the Non – Executive Directors of the Company within the overall limits approved by the shareholders as per the provisions of the Companies Act.
 - 3.2.2 Non – Executive Directors shall be entitled to sitting fees attending the meetings of the Board and the Committees thereof. The Non-Executive Directors shall also be entitled to profit related commission in addition to the sitting fees.
 - 3.3. Remuneration to other employees
 - 1.3.1. Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and

responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

D. MECHANISM FOR EVALUATION OF THE BOARD

Evaluation of all Board members is performed on an annual basis. The evaluation is performed by the Board and Independent Directors with specific focus on the performance and effective functioning of the Board and Individual Directors.

In line with Securities and Exchange Board of India Circular No. SEBI /HO /CFD /CMD /CIR /P /2017 /004, dated January 5, 2017 and the Companies Amendment Act, 2017 the Company adopted the recommended criteria by Securities and Exchange Board of India.

The Directors were given following Forms for evaluation:

- (i) Evaluation of Board;
- (ii) Evaluation of Committees of the Board;
- (iii) Evaluation of Independent Directors;
- (iv) Evaluation of Chairperson; and
- (v) Evaluation of Managing Director and Whole-time Director

The Directors were requested to give following ratings for each criteria:

- 1. Could do more to meet expectations;
- 2. Meets expectations; and
- 3. Exceeds expectations.

The Directors have sent the duly filled forms to the Board. Based on the evaluation done by the Directors, the report on Evaluation was submitted to the Board. And based on the report, the Board of Directors has informed that the performance of Directors is satisfactory.

5. OTHER DIRECTORSHIPS/ COMMITTEE MEMBERSHIPS:

- 5.1 The Board members are expected to have adequate time and

expertise and experience to contribute to effective Board performance. Accordingly, members should voluntarily limit their directorships in other listed public limited companies in such a way that it does not interfere with their role as director of the company. The NR Committee shall take into account the nature of and the time involved in a director's service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.

- 5.2 Director shall not serve as director in more than 20 companies of which not more than 10 shall be public limited companies.
- 5.3 Director shall not serve as an independent Director in more than 7 listed companies and not more than 3 listed companies in case he is serving as a whole-time Director in any listed company.
- 5.4 Director shall not be a member in more than 10 committees or act as chairman of more than 5 committees across all companies in which he holds directorships.

For the purpose of considering the limit of the committee, Audit committee and stakeholder's relationship committee of all public limited companies, whether listed or not, shall be included and all other companies including private limited companies, foreign companies and companies under section 8 of the companies Act, 2013 shall be excluded.

(III). STAKEHOLDERS RELATIONSHIP COMMITTEE

A. BRIEF DESCRIPTION OF TERMS OF REFERENCE:

The Committee's role includes:

- i. Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc;
- ii. Review of measures taken for effective exercise of voting rights by shareholders;
- iii. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- iv. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and

ERP SOFT SYSTEMS LIMITED

ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company;

- v. Such other matter as may be specified by the Board from time to time.
- vi. Authority to review / investigate into any matter covered by Section 178 of the Companies Act, 2013 and matters specified in Part D of Schedule II of the Listing Regulations.

B. COMPOSITION OF THE COMMITTEE, MEETINGS AND ATTENDANCE DURING THE YEAR:

During the financial year 2023-24, (1) one meeting of the Stakeholders and Relationship Committee meeting was held on 13.02.2024.

Name	Designation	Category	No. of meetings held	No. of meeting attended
Mr. Rathanakar Reddy Avileli	Chairperson	NED (I)	1	1
*Mrs. R. Kamala Mohan	Member	NED (I)	1	1
Mrs. D. Sarojanamma	Member	NED	1	1
# Ms. Savitha Pottekula	Member	NED (I)	--	--

* resigned w.e.f 03.07.2024

appointed w.e.f 03.07.2024

NED (I): Non-Executive Independent director

ED: Executive director

NED: Non-Executive director

C. DETAILS OF COMPLAINTS/REQUESTS RECEIVED, RESOLVED AND PENDING DURING THE YEAR 2023-24:

NUMBER OF COMPLAINTS	NUMBER
Number of complaints received from the investors comprising non-receipt of securities sent for transfer and transmission, complaints received from SEBI / Registrar of Companies / Bombay Stock Exchange / National Stock Exchange / SCORE and so on	NIL
Number of complaints resolved	NIL
Number of complaints not resolved to the satisfaction of the investors as on March 31, 2024.	NIL
Complaints pending as on March 31, 2024.	NIL
Number of Share transfers pending for approval, as on March 31, 2024.	NIL

30. COMPOSITION OF CSR COMMITTEE AND CONTENTS OF CSR POLICY:

Since your Company does not have net worth of Rs. 500 Crores or more or turnover of Rs. 1000 Crores or more or a net profit of Rs. 5 Crores or more during the financial year, section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility is not applicable and hence the Company need not adopt any Corporate Social Responsibility Policy.

31. VIGIL MECHANISM/ WHISTLE BLOWER POLICY:

The Company has formulated a Vigil Mechanism / Whistle Blower Policy pursuant to Reg. 22 of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 and Section 177(10) of the Companies Act 2013, enabling stakeholders to report any concern of unethical behaviour, suspected fraud or violation.

The said policy inter-alia provides safeguard against victimization of the Whistle Blower. Stakeholders including directors and employees have access to the Vice Chairman and Managing Director and Chairperson of the Audit Committee.

During the year under review, no stakeholder was denied access to the Chairperson of the Audit Committee.

The policy is available on the website of the Company at <https://erpsoft.com/>

32. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

There are no significant and material orders passed by the regulators /courts that would impact the going concern status of the Company and its future operations.

33. STATUTORY AUDITORS AND STATUTORY AUDITORS REPORT:

Statutory Auditors

The members of the Company in accordance with Section 139 of the Companies Act, 2013 have passed a resolution for appointment of M/s Vijayaraghavan & Associates., Chartered Accountants, Hyderabad as Statutory Auditors of the Company for a period of 5 years in the AGM held on 24.09.2022 to hold office up to the conclusion of 33rd Annual General Meeting of the Company to be held for the financial year 2026-2027 .

The notes of the financial statements referred to in the Auditors' Report issued by M/s. Vijayaraghavan & Associates., Chartered Accountants, Hyderabad for the financial year ended on 31st March, 2024 are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

34. SECRETARIAL AUDIT REPORT:

In terms of section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, based upon the recommendations of the Audit Committee, the Board of Directors had appointed M/s. Vivek Surana & Associates, Practicing Company Secretaries (CP No. 12901) as the Secretarial Auditor of the Company, for conducting the Secretarial Audit for financial year ended March 31, 2024.

The Secretarial Audit was carried out by M/s. Vivek Surana & Associates, Company Secretaries (CP No. 12901) for the financial year ended March 31, 2024. The Report given by the Secretarial Auditor is annexed herewith as Annexure- II and forms integral part of this Report.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

35. INTERNAL AUDITORS:

Pursuant to provisions of Section 138 read with Rule 13 of the Companies (Accounts) Rules, 2014 and Section 179 read with Rule 8(4) of the Companies (Meetings of Board and its Powers) Rules, 2014; during the year under review the Internal Audit of the functions and activities of the Company was undertaken by the Internal Auditor of the Company on quarterly basis by M/s. Ashok Golechha & Co, Chartered Accountants Internal Auditors of the Company.

Deviations are reviewed periodically and due compliance ensured. Summary of Significant Audit Observations along with recommendations and its implementations are reviewed by the Audit Committee and concerns, if any, are reported to Board. There were no adverse remarks or qualification on accounts of the Company from the Internal Auditor.

36. SECRETARIAL STANDARDS:

Pursuant to the provisions of Section 118 of the Companies Act, 2013, the Company has complied with the applicable provisions of the Secretarial Standards issued by the Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs.

37. DECLARATION BY THE COMPANY:

The Company has issued a certificate to its Directors, confirming that it has not made any default under Section 164(2) of the Act, as on March 31, 2024.

38. POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION:

In adherence to the provisions of Section 134(3)(e) and 178(1) & (3) of the Companies Act, 2013, the Board of Directors upon recommendation of the Nomination and Remuneration Committee approved a policy on Director's appointment and remuneration, including, criteria for determining qualifications, positive attributes, independence of a Director and other matters. The said Policy extract uploaded on the Company's website at <https://erpsoft.com/>.

39. CONSOLIDATED FINANCIAL STATEMENTS:

In compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the 'Listing

Regulations') and Section 129 of the Companies Act, 2013, the Consolidated Financial Statements which have been prepared by the Company in accordance with the applicable provisions of the Companies Act, 2013 and the applicable Indian Accounting Standards (Ind AS) forms part of this Annual Report.

40. ANNUAL RETURN:

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an annual return is uploaded on website of the Company www.erpsoft.com.

41. DISCLOSURE ABOUT COST AUDIT:

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Act, are not applicable for the business activities carried out by the Company.

42. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Management discussion and analysis report for the year under review as stipulated under Regulation 34 (e) read with schedule V, Part B of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 with the stock exchange in India is annexed herewith as Annexure- IV to this report.

In terms of Regulations 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

During the year, Independent Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board of Directors and Committee(s).

43. FAMILIARISATION PROGRAMMES:

The Company familiarises its Independent Directors on their appointment as such on the Board with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, etc. through familiarisation programme. The Company also conducts orientation programme upon induction of new

Directors, as well as other initiatives to update the Directors on a continuing basis. The familiarisation programme for Independent Directors is disclosed on the Company's website www.erpsoft.com

44. INSURANCE:

The properties and assets of your Company are adequately insured.

45. CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION:

Since the paid-up capital of the Company is less than Rs. 10 Crores and Net worth of the Company is less than Rs. 25 Crores, Corporate Governance is Not Applicable.

46. NON- EXECUTIVE DIRECTORS' COMPENSATION AND DISCLOSURES:

None of the Independent / Non-Executive Directors has any pecuniary relationship or transactions with the Company which in the Judgment of the Board may affect the independence of the Directors.

47. CODE OF CONDUCT FOR THE PREVENTION OF INSIDER TRADING:

The Board of Directors has adopted the Insider Trading Policy in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulation, 2018. The Insider Trading Policy of the Company lays down guidelines and procedures to be followed, and disclosures to be made while dealing with shares of the Company, as well as the consequences of violation. The policy has been formulated to regulate, monitor and ensure reporting of deals by employees and to maintain the highest ethical standards of dealing in Company securities.

The Insider Trading Policy of the Company covering code of practices and procedures for fair disclosure of unpublished price sensitive information and code of conduct for the prevention of insider trading is available on our website (www.erpsoft.com).

48. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition, and Redressal of Sexual Harassment at workplace.

This is in line with provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ('POSH Act') and the Rules made thereunder. With the objective of providing a safe working environment, all employees (permanent, contractual, temporary, trainees) are covered under this Policy. The policy is available on the website at <https://erpsoft.com/>

As per the requirement of the POSH Act and Rules made thereunder, the Company has constituted an Internal Committee at all its locations known as the Prevention of Sexual Harassment (POSH) Committees, to inquire and redress complaints received regarding sexual harassment. During the year under review, there were no Complaints pertaining to sexual harassment.

All employees are covered under this policy. During the year 2023-24, there were no complaints received by the Committee.

49. DEPOSITORY SYSTEM:

SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 mandate that the transfer, except transmission and transposition, of securities shall be carried out in dematerialized form only with effect from 1st April 2019. In view of the numerous advantages offered by the Depository system as well as to avoid frauds, members holding shares in physical mode are advised to avail of the facility of dematerialization from either of the depositories. The Company has, directly as well as through its RTA, sent intimation to shareholders who are holding shares in physical form, advising them to get the shares dematerialized.

50. DETAILS OF DIFFERENCE BETWEEN VALUATION AMOUNT ON ONE TIME SETTLEMENT AND VALUATION WHILE AVAILING LOAN FROM BANKS AND FINANCIAL INSTITUTIONS:

During the year under review, there has been no one-time settlement of loans taken from banks and financial institutions.

51. FAILURE TO IMPLEMENT CORPORATE ACTIONS:

During the year under review, no corporate actions were done by the Company which were failed to be implemented.

52. INDUSTRY BASED DISCLOSURES AS MANDATED BY THE RESPECTIVE LAWS GOVERNING THE COMPANY:

The Company is not a NBFC, Housing Companies etc., and hence Industry based disclosures is not required.

53. STATUTORY COMPLIANCE:

The Company has complied with the required provisions relating to statutory compliance with regard to the affairs of the Company in all respects.

54. POLICIES:

The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandated the formulation of certain policies for all listed companies. All the policies are available on our website. www.erpsoft.com.

55. EVENT BASED DISCLOSURES:

During the year under review, the Company has not taken up any of the following activities except as mentioned:

- a) Issue of sweat equity share: NA
- b) Issue of shares with differential rights: NA
- c) Issue of shares under employee's stock option scheme: NA
- d) Disclosure on purchase by Company or giving of loans by it for purchase of its shares: NA
- e) Buy back shares: NA
- f) Disclosure about revision: NA
- g) Preferential Allotment of Shares: NA
- h) Issue of equity shares with differential rights as to dividend, voting: NA

56. APPRECIATION & ACKNOWLEDGEMENTS:

Your Directors place on record their appreciation for the overwhelming co-operation and assistance received from the investors, customers, business associates, bankers, vendors, as well as regulatory and governmental authorities. Your Directors also thanks the employees at all levels, who through their dedication, co-operation, support and smart work have enabled the company to achieve a moderate growth and is determined to poise a rapid and remarkable growth in the year to come.

ERP SOFT SYSTEMS LIMITED

Your Directors also wish to place on record their appreciation of business constituents, banks and other financial institutions and shareholders of the Company, SEBI, BSE, NSDL, CDSL, Bankers etc. for their continued support for the growth of the Company.

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

**Place: Chennai
Date: 03.07.2024**

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

**Sd/-
D. Sarojamma
Non-Executive Director
(DIN: 05208974)**

ERP SOFT SYSTEMS LIMITED

ANNEXURE I

Form AOC – 1

Statement containing salient features of the financial statements of Subsidiaries (Pursuant to proviso to sub-section (3) of section 129 read with Rule 5 of the Companies (Accounts) Rules, 2014)

1. Name of the Subsidiaries: **Libertycom, LLC**
2. Reporting Period: 01.04.2023 to 31.03.2024
3. Reporting Currency: In Dollars

Amount in Dollars

S.No.	Particulars	Libertycom, LLC
1.	Share Capital:	48,000
2.	Reserves and surplus for the year ending	12,07,215
3.	Total Assets	19,62,457
4.	Total Liabilities	7,55,242
5.	Investments	-
6.	Turnover (Income)	11,57,053
7.	Profit / loss before Taxation	12,878
8.	Provision for Taxation	3,226
9.	Profit / loss after Taxation	9,652
10.	Proposed Dividend	-
11.	% of Shareholding	100

1. Names of Subsidiaries which are yet to commence operation: NA
2. Names of subsidiaries which have been liquidated or sold during the year: NA

For and on behalf of the Board,

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

Sd/-
D. Sarojanamma
Non-Executive Director
DIN: 05208974

Sd/-
Ila Raveendra Babu
CFO

Sd/-
Shivangi Choudhry
Company Secretary &
Compliance Officer

Place: Chennai
Date: 03.07.2024

ANNEXURE II

FORM MR-3

SECRETARIAL AUDIT REPORT

**(Pursuant to section 204(1) of the Companies Act, 2013 and
Rule 9 of the Companies (Appointment and Remuneration of
Managerial Personnel) Rules, 2014**

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024

To,

The Members
ERP Soft Systems Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ERP Soft Systems Limited (hereinafter called "the Company"). Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's Books, Papers, Minutes Books, Forms and Returns filed and other Records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the financial year commencing from 1st April, 2023 and ended 31st March, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made herein after:

1. We have examined the books, papers, minutes book, forms and returns filed and other records maintained by the Company for the financial year ended on 31st of March, 2024 according to the provisions of:
 - (i) The Companies Act, 2013 (the Act) and the rules made there under;
 - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;

ERP SOFT SYSTEMS LIMITED

- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
 - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment (FDI), Overseas Direct Investment and External Commercial Borrowings;
2. Compliance status in respect of the provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI ACT') is furnished hereunder for the financial year 2023-2024:-
- i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **During the year under review, there was no instance to be reported by the Company under SEBI Takeover Code.**
 - ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and Amended Regulations 2018 Insider Trading Regulations; **The Company has framed code of conduct for regulating & reporting trading by insiders and for fair disclosure and displayed the same on the Company's website i.e. www.erpsoft.com**
 - iii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **Not Applicable as the Company has not issued any shares during the year under review.**
 - iv. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **Not Applicable as the Company has not issued any Employee Stock Options during the year under review.**
 - v. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **Not Applicable as the Company has not issued and listed any debt or non-convertible securities during the year under review.**
 - vi. The Securities and Exchange Board of India (Registrars to an issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client; **Not Applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the year under review. However, the Company has Aarthi Consultants Private Limited as its Share Transfer Agent.**

ERP SOFT SYSTEMS LIMITED

- vii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **Not Applicable as the Company has not delisted/ proposed to delist its equity shares during the year under review.**
- viii. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not Applicable as the Company has not bought back/ proposed to buy-back any of its securities during the year under review.**
- ix. Other applicable laws include the following:
- A) Information Technology Act, 2000 as amended from time to time.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 were complied with to the extent applicable.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above including the following:

- a) During the year the Company has conducted 4 meetings of the Board of Directors, 4 meetings of the Audit committee, 1 Meeting of Stakeholder Relationship Committee and 1 meeting of Nomination and Remuneration Committee Meeting and 1 meeting of Independent Directors. We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company secretaries of India.
- b) As per the information and explanations provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we report that
- (i) the provisions of the Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of:
- External Commercial Borrowings were not attracted to the Company under the financial year under report;
 - Foreign Direct Investment (FDI) was not attracted to the Company under the financial year under report;

ERP SOFT SYSTEMS LIMITED

- Overseas Direct Investment by Residents in Joint Venture/Wholly Owned Subsidiary abroad was not attracted to the Company under the financial year under report.
- (ii) As per the information and explanations provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we report that the Company has not made any GDRs/ADRs or any Commercial Instrument under the financial year under report.

We further report that:

- The Company has a CFO, Mr. Ila Raveendra Babu.
- The Company has Company Secretary and Compliance Officer, Ms. Shivangi Choudhry.
- The Company has internal auditors namely M/s. Ashok Golechha & Co, Chartered Accountants, Chennai.
- The website of the Company contains policies as specified by SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and the provisions of Companies Act, 2013.
- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There was no change in the composition of the Board of Directors during the period under review.
- Adequate notice of board meeting is given to all the directors along with agenda at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and meaningful participation at the meeting.
- As per the minutes of the meeting duly recorded and signed by the Chairman of the meeting, the decisions of the Board were unanimous and no dissenting views have been recorded.
- We, further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- The Compliance by the Company of applicable financial Laws like Direct and Indirect tax Laws has not been reviewed thoroughly in this audit

ERP SOFT SYSTEMS LIMITED

since the same has been subject to review by statutory financial Audit and other designated professionals.

- We further report that during the year under report, the Company has not undertaken event/action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

For Vivek Surana & Associates

Sd/-

Vivek Surana

Proprietor

M. No. A24531, C.P. No: 12901

UDIN: A024531F000658098

Peer Review Cer. No.: 1809/2022

Place: Hyderabad

Date : 03.07.2024

ERP SOFT SYSTEMS LIMITED

Annexure A

To

The Members of

ERP Soft Systems Limited

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have relied on the reports given by the concerned professionals in verifying the correctness and appropriateness of financial records and books of accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The secretarial Audit report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Vivek Surana & Associates

Sd/-

**Vivek Surana
Proprietor**

M. No. A24531, C.P. No: 12901

UDIN: A024531F000658098

Peer Review Cer. No.: 1809/2022

Place: Hyderabad

Date : 03.07.2024

ERP SOFT SYSTEMS LIMITED

ANNEXURE III

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis: Not Applicable as all the Related Party Transactions have been entered into at an arm's length basis.
2. Details of material contracts or arrangement or transactions at arm's length basis:

S.No	Name(s) of the related party and nature of relationship	Nature of contracts/arrangements/transactions:	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any: Approved by Audit Committee and Board Meeting in last Financial Year:
a)	Libertycom LLC	Export Sales	Not Defined	As approved by the Board of Directors	13.02.2024

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

**Place: Chennai
Date: 03.07.2024**

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

**Sd/-
D. Sarojanamma
Director
(DIN: 05208974)**

ANNEXURE IV

MANAGEMENT DISCUSSION AND ANALYSIS

1. a. Industry structure and developments:

Software and computing technology is transforming businesses in every industry around the world. The management pursue huge growth in cloud, analytical and engineering IT Services and ERP Soft will be able to take advantage of this trend.

b. Opportunities and Threats:

We believe our strengths give us the competitive advantage to solve the strategic challenges of business.

c. Segment-wise or product-wise performance

Rs. in lakhs

Particulars	Standalone	Consolidated
Revenue:		
2023-24	212.84	1170.59
2022-23	308.28	2,355.80
Growth%	(30.95)	(50.31)
Income:		
2023-24	9.40	17.39
2022-23	7.44	31.22
Growth%	212.84	1170.59

d. Outlook, Risks and concerns:

Presently the outlook is very promising. Our success depends largely upon our highly-skilled technology professionals and our ability to hire, attract, motivate, retain and train these personnel. Our revenues are highly dependent on clients primarily located in the United States. New and changing corporate governance and public disclosure requirements add uncertainty to our compliance policies and increase our costs of compliance.

ERP SOFT SYSTEMS LIMITED

e. Internal control systems and their adequacy:

The system of internal control has been established to provide reasonable assurance of safeguarding assets and maintenance of proper Accounting Records and its accuracy. The business risks and its control procedures are reviewed frequently. Systems audit is also conducted regularly to review the systems with respect to Security and its Adequacy. Reports are prepared and circulated to Senior Management and action taken to strengthen controls where necessary.

f. Discussion on financial performance with respect to operational performance:

Refer to the Board's report for the summary of the financial performance

g. Material developments in Human Resources / Industrial Relations front, including number of people employed.

Our employees are our most important assets. We believe that the quality and level of service that our professionals deliver. As at March 31, 2024, the Company employed 10 employees, of which 7 were professionals from United States involved in service delivery to the clients, including trainees. The key aspects of our HR practice include recruitment, training and development, and compensation.

h. Details of changes in key financial ratios, along with detailed explanation thereof

Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations therefor, including:

RATIOS:			
Particulars	2023-24	2022-23	Details of significant changes along with detailed explanations therefore
Debtors' turnover ratio	6.04 Times	7.60 Times	
Inventory turnover ratio	Nil	Nil	
Interest coverage ratio	Nil	Nil	
Current ratio	9.28 Times	5.61 Times	Since there is an increase in Trade Receivables
Debt equity ratio	Nil	Nil	
Operating profit margin (%)	6.29%	2.51%	There is a dip in Direct Cost
Net profit margin (%)	6.39%	3.20%	Increase in PADT

ERP SOFT SYSTEMS LIMITED

- j. **Details of any change in return on net worth as compared to the immediately previous financial year along with a detailed explanation thereof:** There is 0.96 % change on return on net worth as compared to the immediately previous financial year.

2. Disclosure of Accounting Treatment:

The Company has not carried out any treatment different from that prescribed in Accounting Standards.

For and on behalf of the Board
ERP Soft Systems Limited

Place: Chennai
Date: 03.07.2024

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

Sd/-
D. Sarojamma
Director
(DIN: 05208974)

ERP SOFT SYSTEMS LIMITED

ANNEXURE – V(a)

STATEMENT SHOWING THE NAMES OF TOP TEN EMPLOYEES PURSUANT TO SEC. 197 READ WITH RULE 5 (1) (2) and (3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

1. The ratio of remuneration to each director to the median remuneration of the employees of the company for the financial year.

Name of the Director	Total Remuneration (Amount in Rs.)	Ratio to median remuneration
Kallurupali Parvathi Reddy	6,00,000	1.85:1

2. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year

Name	Designation	Remuneration (Amount in Rs.)		Increase/ (Decrease) %
		FY 2023-24	FY 2022-23	
Kallurupali Parvathi Reddy	Managing Director	Rs 6,00,000	Rs 6,00,000	-
Ila Raveendra Babu	CFO	Rs 10,08,000	Rs 8,40,000	20.00%
Shivangi Choudhry	Company Secretary	Rs 2,04,000	Rs 1,86,000	9.68%

3. The percentage increase in the median remuneration of employees in the financial year

Particulars	Remuneration		Increase/ (Decrease)%
	FY 2023-24	FY 2022-23	
Median Remuneration of all the employees per Month*	18,500	17,500	5.71

*Employees who have served for whole of the respective financial years have been considered.

4.

Particulars	Number
The number of employees on the rolls of the company as on March 31, 2024	4

5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and details if there are any exceptional circumstances for increase in the managerial remuneration

Particulars	Increase/ (Decrease) %
Average percentage increase in the remuneration of all Employees* (Other than Key Managerial Personnel)	(62.26%)
Average Percentage increase in the Remuneration of Key Managerial Personnel	11.46%

*Employees who have served for whole of the respective financial years have been considered.

6. Affirmation that the remuneration is as per the remuneration policy of the company.

The Company is in compliance with its remuneration policy.

ERP SOFT SYSTEMS LIMITED

Annexure V (b).

B. Information as per Rule 5(2) of Chapter XIII of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. Top 10 employees of the Company based on Remuneration drawn for FY 2023-24:

S No	Name of the Employee	Designation of the employee	Remuneration received	Nature of employment whether contractual or otherwise	Qualification and experience of the employee	Date of commencement of employment	The age of the employee	The last employment held by such employee before joining the Company	The percentage of equity shares held by the employee in the Company within the meaning of clause (iii) of sub rule (2) of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014	Whether any such employee is a relative of any director or manager of the Company and if so, name of such director or manager
1	Kallurupalli Parvathi	Managing Director	Rs 50,000/month	Contractual	B.SC	01.04.2019	68 Years	Nil	Nil	Duwururu Sarojanamma
2	Ila Raveendra Babu	C.F.O	Rs 90,000/month	Contractual	B. Com (C.A)	16.11.2014	37 Years	Prasad & Simath Chartered Accountants	Nil	N.A
3	Shivangi Choudhry	Company Secretary	Rs. 17,000/month	Contractual	CS	29.12.1992	32 Years	NA	Nil	N.A
4	Raja Panner Selvam	Jr Accountant	Rs. 20,000/month	Contractual	B. Com	01.07.1996	28	N.A	Nil	N.A

ANNEXURE – VI

CERTIFICATE OF CODE OF CONDUCT FOR THE YEAR 2023-24

The shareholders,

The Company has formulated and implemented a Code of Conduct for Board Members and Senior Management of the Company. Requisite annual affirmations of compliance with the respective Codes have been made by the Directors and Senior Management of the Company.

Certificate of Code of Conduct for the year 2023-24 as per Regulation 17(5) read with Regulation 34(3) Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

ERP Soft Systems Limited is committed for conducting its business in accordance with the applicable laws, rules and regulations and with highest standards of business ethics. The Company has adopted a "Code of Ethics and Business Conduct" which is applicable to all director, officers and employees.

I hereby certify that all the Board Members and Senior Management have affirmed the compliance with the Code of Ethics and Business Conduct, under a certificate of Code of Conduct for the year 2023-24.

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

**Place: Chennai
Date: 03.07.2024**

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

INDEPENDENT AUDITOR'S REPORT

To the Members of

ERP Soft System Limited

Report on the Audit of the standalone financial statements

Opinion

We have audited the accompanying standalone financial statements of ERP Soft System Limited ("the Company"), which comprises the standalone balance sheet as at 31st March 2024, and the standalone statement of Profit and Loss (including other comprehensive income) the standalone statement of changes in equity and the standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2024, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity, and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Indian Accounting Standards (Ind AS) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and We have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the

current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

Information other than the Standalone financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual Report but does not include the Standalone financial statements and our auditor's report thereon.

Our opinion on the Standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone financial statements or our knowledge obtained during the course of our audit otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these Standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the

preparation and presentation of the Standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone financial statements

Our objectives are to obtain reasonable assurance about whether the Standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone financial statements.

As part of an audit in accordance with SAs, We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, We are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.

ERP SOFT SYSTEMS LIMITED

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, We are required to draw attention in our auditor's report to the related disclosures in the Standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone financial statements, including the disclosures, and whether the Standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in

- (i) Planning the scope of our audit work and in evaluating the results of our work; and
- (ii) To evaluate the effect of any identified misstatements in the Standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the

Standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, We give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

(A) As required by Section 143 (3) of the Act, We report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Standalone financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

ERP SOFT SYSTEMS LIMITED

- (B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, (as amended) in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - (c) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that caused us to believe that the representations under sub- clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.

ERP SOFT SYSTEMS LIMITED

No dividend have been declared or paid during the year by the company.

- (C) With respect to the matter to be included in the Auditor's Report under section 197(16), In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) which are required to be commented upon by us.

For Vijayaraghavan & Associates
Chartered Accountants
Firm's Registration No.: 005699S

Sd/-

P B Vijayaraghavan
Partner

Membership no : 015103
UDIN :24015103BKARBH9316

Place: Chennai
Date:29th May 2024

ERP SOFT SYSTEMS LIMITED

Annexure A to the Independent Auditor's Report of even date to the members of ERP Soft Systems Limited, on the standalone financial statements for the year ended 31 March 2024.

Annexure –A TO THE AUDITOR'S REPORTS

The Annexure referred to in our report to the members of ERP Soft Systems Limited ('the Company') for the year ended 31st March 2024.

Based on the audit procedures performed for the purpose of reporting a true and fair view on the standalone financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief we further report that:

- (i) (a) (A) The company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;

(B) There were no Intangible assets and hence reporting under this clause not applicable
- (b) The Property, Plant and Equipment have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
- (c) The company does not have any immovable property properties (other than properties where the companies the lessee and the lease agreements are duly executed in favor of the lessee). Accordingly, clause 3 (i)(c) of the Order is not applicable to the company.
- (d) The Company has not revalued its Property, Plant and Equipment or intangible assets or both during the year. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment or intangible assets does not arise.
- (e) Based on the information and explanations furnished to us, no proceedings have been initiated on (or) are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder.

ERP SOFT SYSTEMS LIMITED

- (ii) (a) The company does not have any inventory, hence the provision of clause 3(ii)(a) of the companies (audit's report) order, 2020 are not applicable.
- (b) The company has not been sanctioned any working capital limit from banks or financial institutions on the basis of security of current assets at any point of time during the year hence reporting under clause 3(ii)(b) of the Order is not applicable
- (iii) According to the information and explanations given to us and on the basis of our examination of the books of account, during the year, the company has not made investments, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnerships or any other parties hence clause 3(iii)(a) to 3(iii) (f) is not applicable to the company
- (iv) In our opinion, and according to the information and explanations given to us, In respect of loans, investment, guarantees, and security, provisions of section 185 and 186 of the Companies Act 2013 have been complied with
- (v) The company has not accepted any deposits or amounts which are deemed to be deposits covered under sections 73 to 76 of the Companies Act, 2013. Hence reporting under clause 3(v) of the Order is not applicable.
- (vi) As per information & explanation given by the management, the maintenance of cost records has not been specified for the activities of the company by the Central Government/s148 (1) of the Companies Act, 2013. Hence reporting under clause 3(vi) of the Order is not applicable.
- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities. According to the information and explanation given to us there were no outstanding statutory dues as on 31st of March, 2024 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no statutory dues referred to in sub-clause (a) that have not been deposited on account of any dispute.

ERP SOFT SYSTEMS LIMITED

- (viii) According to the information and explanations given by the management and the records of the company examined by us no transactions not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been previously recorded in the books of account.
- (ix) (a) The company did not have any loans or borrowings from any lender during the year. Accordingly, clause 3 (ix) (a) of the order is not applicable.
- (b) According to the information and explanations given by the management, to us and on the basis of our audit procedures, We report the company is not declared willful defaulter by any bank or financial institution or other lender;
- (c) In our opinion and according to the information and explanations given by the management we report that the company has not taken any term loan during the year and there are no unutilized term loans at the beginning of the year hence the reporting under clause 3(ix) (c) is not applicable to the company.
- (d) In our opinion and according to the information and explanations given by the management, and on an overall examination of the financial statements of the Company, We report that no funds raised on short term basis have been utilized for long term purposes by the company.
- (e) In our opinion and according to the information and explanations given by the management, and on an overall examination of the financial statements of the Company, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures,
- (f) In our opinion and according to the information and explanations given by the management, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (x) (a) The company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, the reporting under

ERP SOFT SYSTEMS LIMITED

clause 3(x)(b) of the Order is not applicable to the Company.

- (xi)(a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and According to the information and explanations given by the management, no fraud by the company or any fraud on the company has been noticed or reported during the year;
- (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, and as represented to us by the management, no whistle- blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.
- (xii) The company is not a Nidhi Company. Accordingly, the reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, where applicable and the details have been disclosed in the financial statements,
- (xiv) (a) In our opinion and based on our examination, the company has an internal audit system commensurate with size and nature of its business.

(b) The reports of the Internal Auditor for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.

ERP SOFT SYSTEMS LIMITED

- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted non-banking financial/ housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) Based on the information and explanations provided by the management of the Company, the Group does not have any CICs, which are part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3 (xvi) (d) of the Order is not applicable to the Company.
- (xvii) Based on our examination, the company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (xviii) There were no resignation of the statutory auditor during the year.
- (xix) Based on the information obtained from the management and audit procedures performed and on the basis of the financial ratios disclosed in notes to the Standalone Financial Statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying Financial Statements, our knowledge of the Board of Directors' and management's plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

ERP SOFT SYSTEMS LIMITED

- (xx) Based on our examination, the provision of section 135 of the Companies Act, 2013 with regard to corporate social responsibility are not applicable to the company, hence clause 3(xx) of the Order is not applicable.
- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report

**For Vijayaraghavan & Associates
Chartered Accountants
Firm's Registration No.: 005699S**

Sd/-

**P B Vijayaraghavan
Partner**

**Membership no : 015103
UDIN :24015103BKARBH9316**

**Place: Chennai
Date:29th May 2024**

Annexure B to the Independent Auditor's Report of even date to the members of ERP Soft Systems Limited, on the standalone financial statements for the year ended 31 March 2024

Annexure –B TO THE AUDITOR'S REPORTS

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of ERP Soft System Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over Financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed 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. A company's internal financial control over financial reporting includes those policies and procedures that

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become

ERP SOFT SYSTEMS LIMITED

inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Vijayaraghavan & Associates
Chartered Accountants
Firm's Registration No.: 005699S**

Sd/-

**P B Vijayaraghavan
Partner**

**Membership no : 015103
UDIN :24015103BKARBH9316**

**Place: Chennai
Date:29th May 2024**

ERP SOFT SYSTEMS LIMITED

STANDALONE BALANCE SHEET AS AT 31st MARCH, 2024

(Rs in Lakhs)

	Note No.	As at	As at
		31.03.2024	31.03.2023
		Rs.	Rs.
ASSETS:			
(1) Non-Current Assets			
(a) Property ,Plant and equipment	2	7.27	10.90
(b) Financial assets			
(i) Investment	3	608.44	608.44
(ii) Other financial assets	4	0.00	2.00
(c) Deferred tax assets (net)		3.27	2.73
(2) Current Assets			
(a) Financial assets			
(i) Investment	5	0.60	0.60
(ii) Trade Receivables	6	45.07	25.30
(iii) Cash and Cash Equivalents	7	0.29	0.95
(iv) Loans and Advances	8	80.88	90.53
(b) Other Current Assets	9	1.14	2.85
Total		746.96	744.30
EQUITY AND LIABILITIES			
(a) Equity Share Capital	10	396.00	396.00
(b) Other Equity	11	337.17	326.90
(1) Non - Current Liabilities:			
Deferred tax liabilities (net)		0.00	0.00
(2) Current Liabilities:			
(a) Financial liabilities			
(i) Borrowings	12	0.00	0.00
(ii) Trade Payables	13	1.64	1.00
(b) Other Current Liabilities	14	6.74	14.36
(c) Provisions	15	5.41	6.04
(d) Current tax Liabilites (net)		0	0
Total		746.96	744.30
Significant accounting policies			
See accompanying notes are an integral part of the financial statements	1		

For Vijayaraghavan & Associates
Chartered Accountants
Regn No : 05699S

For and on behalf of the board of Directors of
ERP Soft Systems Limited

Sd/-
P B Vijayaraghavan
Partner
M.No 015103

Sd/-
D.Sarojanamma
Director
DIN: 05208974

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

Place: Chennai
Date: 29.05.2024

Sd-
Shivangi Choudhry
CS

Sd-
Ila Raveendra Babu
CFO

ERP SOFT SYSTEMS LIMITED

STANDALONE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH 2024

(Rs in Lakhs)

	Note No	For the year ended 31-03-2024 Rs.	For the year ended 31-03-2023 Rs.
I Revenue from operations	16	212.62	306.18
II Other Income	17	0.22	2.10
III Total Income (I + II)		212.84	308.27
IV Expenses:			
Employee benefits expenses	18	22.95	23.62
Depreciation and amortization expenses	2	3.78	3.78
Other expenses	19	172.52	271.09
Total expenses		199.25	298.48
V Profit/ (Loss) before exceptional items and tax (I-IV)		13.59	9.79
VI Exceptional items		0.00	0.00
VII Profit / (Loss) before tax		13.59	9.79
VIII Tax Expenses			
(1) Current tax		4.73	2.80
(2) Deferred tax		-0.54	-0.45
IX Profit/(loss) for the period (VII-VIII)		9.40	7.44
X Other Comprehensive Income		0.00	0.00
Item that will not be reclassified to profit or loss			
Income tax relating to items that will not be reclassified to profit or loss			
Item that will be reclassified to profit or loss			
Income tax relating to items that will be reclassified to profit or loss			
Total Comprehensive Income for the period (comprising profit and other comprehensive income for the period) (IX+X)		9.40	7.44
Earnings per share:			
(1) Basic		0.24	0.19
(2) Diluted		0.24	0.19
Significant accounting policies	1		
The accompanying notes are an integral part of the financial statements			

For Vijayaraghavan & Associates
Chartered Accountants
Regn No : 05699S

Sd/-
P B Vijayaraghavan
Partner
M.No 015103

Place: Chennai
Date: 29.05.2024

For and on behalf of the board of Directors of
ERP Soft Systems Limited

Sd/-
D.Sarojanamma
Director
DIN: 05208974

Sd-
Shivangi Choudhry
CS

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

Sd-
Ila Raveendra Babu
CFO

ERP SOFT SYSTEMS LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2024

(Rs in Lakhs)

Particulars	Year ended March 31,2024	Year ended March 31,2023
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/Loss Before Tax	13.59	9.79
Non-Cash Adjustment to Profit Before Tax:		
Depreciation and amortisation expenses	3.78	3.78
Excess provisions written off		
Notional profit /loss on investments	0.87	(1.51)
Operating Profit before working capital Changes		
Decrease/(increase) in Trade receivables and Other Current Assets	(19.77)	29.99
Decrease/(increase) in Loans	9.65	(43.75)
Decrease/(increase) in other current assets	1.71	(1.35)
Increase/(decrease)In Trade Payables	0.64	0.43
Increase/(decrease)In provisions and Other Current Liabilities	(12.98)	5.85
Cash generated from operations	(2.51)	3.24
Direct Taxes paid (net of refunds)	0.00	(2.80)
Net Cash flow from/(used in)operating activities	(2.51)	0.44
B. CASH FLOW FROM INVESTING ACTIVITIES		
Additions to Fixed Assets (including capital WIP) and	(0.15)	(0.60)
Decrease/(increase) in Investments	0.00	5.04
Net Cash used in Investing activities	(0.15)	4.44
C. CASH FLOW FROM FINANCING ACTIVITIES		
	2.00	(8.00)
Net Cash used in Financing activities	2.00	(8.00)
Net Increase in cash and cash equivalents during the period	(0.66)	(3.12)
Cash and cash equivalents at the beginning of the period	0.95	4.07
Cash and cash equivalents at the end of the period	0.29	0.95
The above statement of cash flows has been prepared under "Indirect Method" as per IndAS 7 statement of cash Flows		

For Vijayaraghavan & Associates
Chartered Accountants
Regn No : 05699S

For and on behalf of the board of Directors of
ERP Soft Systems Limited

Sd/-
P B Vijayaraghavan
Partner
M.No 015103

Sd/-
D.Sarojanamma
Director
DIN: 05208974

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

Place: Chennai
Date: 29.05.2024

Sd/-
Shivangi Choudhry
CS

Sd/-
Ila Raveendra Babu
CFO

ERP SOFT SYSTEMS LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH 2024

(Rs in Lakhs)

Particulars	Balance as at 01-04-2023	Changes in equity share capital during the year	Balance as at 31- 03-2024
A: EQUITY SHARE CAPITAL			
(1) For the year ended 31-03-2024	396.00	-	396.00
(2) For the year ended 31-03-2023	396.00	-	396.00

B: OTHER EQUITY

(1) For the year ended 31-03-2024

Particular	Reserve and Surplus			Foreign Currency Translation Reserve (FCTR)	Total
	Capital Redemption Reserve	General Reserve	Retained Earnings		
Opening balance as on 01-04-2023	-	-	326.90	-	326.90
Total Comprehensive Income for the year	-	-	7.44	-	9.40
Transfer to retained earnings	-	-	1.52	-	0.87
Balance at 31-03-2024	-	-	326.90	-	337.17

(2) For the year ended 31-03-2023

Particulars	Reserve and Surplus			Foreign Currency Translation Reserve (FCTR)	Total
	Capital Redemption Reserve	General Reserve	Retained Earnings		
Opening balance as on 01-04-2022	-	-	320.98	-	320.98
Total Comprehensive Income for the year	-	-	7.44	-	7.44
Transfer to retained earnings	-	-	1.52	-	1.52
Balance at 31-03-2023	-	-	326.90	-	326.90

For Vijayaraghavan & Associates
Chartered Accountants
Regn No : 05699S

Sd/-
P B Vijayaraghavan
Partner
M.No 015103

Place: Chennai
Date: 29.05.2024

For and on behalf of the board of Directors of
ERP Soft Systems Limited

Sd/-
D.Sarojanamma
Director
DIN: 05208974

Sd/-
Shivangi Choudhry
CS

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

Sd/-
Ila Raveendra Babu
CFO

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

1. Background

ERP Soft Systems Limited was incorporated in 1994 having its registered office in 10-A, Tranquil Nest, 3rd Main Road, Kamakoti Nagar, Pallikaranai, Chennai, Tamil Nadu – 600100. The Company is into the business of Providing Software Support & Maintenance to the client. The Company has 100% Subsidiary company, liberty com LLC in USA is focusing on ERP, Business Intelligence/Analytics projects and staffing.

Authorization of financial statements

The standalone financial statements are approved for issue by the Company's Board of Directors on 29.05.2024.

2. Summary of Significant Accounting Policies

a. Statement of compliance & Basis of Preparation

1. The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read with Rule 3 Companies (Indian Accounting Standards) Rules, 2015.

2. Historical cost convention on an accrual basis

The standalone financial statements of the Company have been prepared and presented on a historical cost basis in accordance with IndAS except for the following:

- Certain financial assets and liabilities that are measured at fair values;
3. The Standalone Financial Statements have been prepared on accrual and going concern basis.

b. Segment Reporting

The operating segments have been identified on the basis of nature of services and the same are accordingly evaluated by the Board of Directors. Company's primary operating segment is providing software Support & maintenance to the client. Company accordingly reports its financials under one segment 'providing software Support & maintenance to the client'.

c. Foreign currency translations

Functional and presentation currency

The financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

Transactions and balances

Transactions in foreign currencies are recognized at the prevailing exchange rates on the transaction dates. Realized gains and losses on settlement of foreign currency transactions are recognized in the Statement of Profit and Loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognized in the Statement of Profit and Loss.

d. Revenue Recognition

Revenue is measured at the fair value of consideration received or receivable. Revenue is recognized when the amount of revenue can be reliably measured; it is probable that future economic benefits will flow to the entity.

Interest income on fixed deposits with banks is recognized on time proportion basis taking in to account the amount outstanding and the rates applicable.

Dividend income from investments is recognized when the company's right to receive payment is established.

e. Tax Expenses

The tax expense for the period comprises of current tax and deferred income tax. Current tax is the tax payable on the taxable income of the current period based on the applicable income tax rates. Deferred tax reflects changes in deferred tax assets and liabilities attributable to temporary differences and unused tax losses. Tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognized in the Other Comprehensive Income or in Equity. In which case, the tax is also recognized in Other Comprehensive Income or Equity.

Current Tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted at the end of the reporting period.

Deferred income tax is provided in full, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

f. Impairment of assets

The carrying amount of assets are reviewed at each Standalone Balance Sheet date to assess if there is any indication of impairment based on internal /external factors. An impairment loss on such assessment is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount of the assets is net selling price or value in use, whichever is higher. While assessing value in use, the estimated future cash flows are discounted to the present value by using weighted average cost of capital. A previously recognized impairment loss is further provided or reversed depending on changes in the circumstances and to the extent that carrying amount of the assets does not exceed the carrying amount that will be determined if no impairment loss had previously been recognized.

g. Cash and cash equivalents

Cash and cash equivalent in the Balance Sheet comprise cash on hand and balances with banks in Current and deposit accounts.

Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of an on-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating , investing and financing activities of the Companies are segregated.

h. Trade receivables

Trade receivables are recognized when the right to consideration becomes un conditional. These assets are held at amortized cost, using the effective interest rate (EIR) method where applicable, less provision for impairment based on expected credit loss.

i. Investment in subsidiaries

The investment in subsidiaries are carried in the financial statements at historical cost except when the investment is classified as held for sale in which case it is accounted for as non-current assets held for sale and discontinued operations.

Investments in subsidiaries carried at cost are tested for impairment in accordance with Ind AS 36.

Any impairment loss reduces the carrying value of the investment.

j. Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date.

k. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counter party.

l. Property, Plant and Equipment

Property, Plant and Equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Subsequent costs are included in the carrying amount of asset or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the Standalone Statement of Profit and Loss during the period in which they are incurred.

Plant and Equipment having different useful life are accounted separately.

Depreciation on Property, Plant and Equipment is provided using straight-line method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013

The residual values, useful lives and methods of depreciation of Property, Plant and Equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

m. Intangible assets

(i) Recognition

Intangible assets are recognised only when future economic benefits arising out of the assets flow to the enterprise and are amortised over their useful life.

(ii) Amortization methods and periods

The Company amortizes intangible assets on a straight line method over their estimated useful life not exceeding 5 years. Software is amortised over a period of three years.

n. Provisions, Contingent liabilities, Contingent Assets

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. These are reviewed at each year end and reflect the best current estimate. Provisions are not recognized for future operating losses. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value

is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

The timing of recognition and quantification of the liability requires the application of judgment to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

O. Employee Benefits

There are no permanent employees eligible for retirement benefits and hence no provision has been made in the accounts for Gratuity, Leave encashment and other retirement benefits.

p. Earnings per share

Basic earnings per share are calculated by dividing the profit after tax or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the EPS is the net profit for the period and any attributable tax thereto for the period. In case there are any dilutive securities during the period presented, the impact of the same is given to arrive at diluted earnings per share.

q. Classification of Assets and Liabilities into current and Non-Current

The Company presents its assets and liabilities in the Balance Sheet based on current /non-current classification.

An asset is treated as current when it is:

- a) expected to be realized or intended to be sold or consumed in normal operating cycle;
- b) held primarily for the purpose of trading;

ERP SOFT SYSTEMS LIMITED

- c) expected to be realized within twelve months after the reporting period;
or
- d) cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when:

- a) It is expected to be settled in normal operating cycle;
- b) It is held primarily for the purpose of trading;
- c) It is due to be settled within twelve months after the reporting period; or
- d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle being a period within twelve months for the purpose of current and non-current classification of assets and liabilities.

- r. Current Assets and Loans and Advances In the opinion of the Management, Current Assets, Loans & Advances have a value on Realization in the ordinary course of business at least equal to the amount at which they are stated.
- s. Critical accounting judgments and key sources of estimation uncertainty The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in note. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in

estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Information about such estimates and judgments are included in the relevant notes together with the basis of calculation for relevant line item in the financial statements. Estimates and judgments are based on historical experience and other factors, including expectations of future events that may have a financial impact on the company and that are believed to be reasonable under the circumstances.

t. Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalization.

Other borrowings costs are expensed in the period in which they are incurred.

u. Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest two decimal places of lakhs as per the requirement of Schedule III, unless otherwise stated.

ERP SOFT SYSTEMS LIMITED

STANDALONE

Note-2 : PROPERTY AND EQUIPMENT

Description	Gross Block (Cost)				Depreciation		Net Block(Cost)		(Rs in Lakhs)
	As at 1st April 2023	Addition	Disposal	As at 31st March 2024	For the Year	Disposal	As at 31st March 2024	As at 31st March 2023	
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
Computer & Peripherals	4.70	0.15	-	4.85	0.47	-	4.36	0.50	0.81
Computer Software	17.07	-	-	17.07	1.62	-	16.35	0.71	2.33
Printer	0.32	-	-	0.32	0.00	-	0.32	0.00	0.00
Air - Conditioner	1.32	-	-	1.32	0.12	-	0.87	0.44	0.57
Motor Cycle	0.35	-	-	0.35	0.00	-	0.33	0.02	0.02
Mobile	0.74	-	-	0.74	0.07	-	0.35	0.39	0.46
Car	11.44	-	-	11.44	1.36	-	6.80	4.64	6.00
Genset & Power	1.34	-	-	1.34	0.13	-	0.84	0.50	0.63
Furniture and fittings	0.13	-	-	0.13	0.01	-	0.05	0.07	0.08
Current Year	37.40	-	-	37.55	3.78	-	30.28	7.27	10.90
Previous year	36.80	0.00	0.00	37.40	3.78	0.00	26.50	10.90	14.08

ERP SOFT SYSTEMS LIMITED

NOTES TO THE ACCOUNTS AS AT 31st MARCH 2023

Note - 3 INVESTMENT carried at cost

(Rs in Lakhs)

PARTICULARS	For the year ended 31-03-2024	For the year ended 31-03-2023
	Rs.	Rs.
a Equity investment in subsidiaries		
Unquoted		
LibertycomLLC	21.52	21.52
(Facevalue of USD 1 each)		
Equity investment in joint venture and associates		
ERP info Systems	416.92	416.92
Discreet art productions	34.00	34.00
Yashavee Investment Consultants	136.00	136.00
	608.44	608.44

Note-4 OTHER FINANCIAL ASSETS

(Rs in Lakhs)

PARTICULARS	For the year ended 31-03-2024	For the year ended 31-03-2023
	Rs.	Rs.
(Unsecured considered good)		
a. Rental Deposits	0.00	2.00
	0.00	2.00

Note-5 INVESTMENTS

(Rs in Lakhs)

PARTICULARS	For the year ended 31-03-2024	For the year ended 31-03-2023
	Rs.	Rs.
a. Investments in Liquid Scheme of mutual funds	0.60	0.60
Measured at FVTPL		
	0.60	0.60

ERP SOFT SYSTEMS LIMITED

Note-6 TRADE RECEIVABLE

(Rs in Lakhs)

PARTICULARS	For the year ended 31-03-2024	For the year ended 31-03-2023
	Rs.	Rs.
(Unsecured considered good)		
a Undisputed Trade Receivables- Considered Goods	45.07	25.30
	45.07	25.30

Note 6. (a) TRADE RECEIVABLES AGING SCHEDULE: For the year ended 31.03.2024

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total As at 31.03.2024
(i) Undisputed Trade Receivables- Considered Goods	45.15	-	-	-	-	45.15
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
total	45.15	-	-	-	-	45.15

Note 6. (b) TRADE RECEIVABLES AGING SCHEDULE: For the year ended 31.03.2023

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total As at 31.03.2024
(i) Undisputed Trade Receivables- Considered Goods	25.30	-	-	-	-	25.30
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
total	25.30	-	-	-	-	25.30

ERP SOFT SYSTEMS LIMITED

Note-7 CASH AND CASH EQUIVALENTS

(Rs in Lakhs)

PARTICULARS	For the year ended 31-03-2024	For the year ended 31-03-2023
	Rs.	Rs.
a. Balance with banks	0.06	0.32
b. Cash in hand	0.23	0.63
	0.29	0.95

Note-8 LOANS AND ADVANCES

(Rs in Lakhs)

PARTICULARS	For the year ended 31-03-2024	For the year ended 31-03-2023
	Rs.	Rs.
(Unsecured considered good)		
a. Loans to employees	0.28	6.93
(Secured)		
a. Advances	80.60	83.60
	80.88	90.53

Note- 9 OTHER CURRENT ASSETS

(Rs in Lakhs)

PARTICULARS	For the year ended 31-03-2024	For the year ended 31-03-2023
	Rs.	Rs.
a Advance Tax	0.00	1.50
b Others	1.14	1.35
	1.14	2.85

ERP SOFT SYSTEMS LIMITED

Note: 10(A) Authorised, Issued, Subscribed and Paid-up share capital and par value per share

(Rs in Lakhs)

PARTICULARS	For the year ended 31-03-2024	For the year ended 31-03-2023
	Rs.	Rs.
Authorised Share Capital 4500000 Equity share of Rs 10/-each	450.00	450.00
Issued, Subscribed and Paid Up 3960000 Equity share of Rs 10/-each	396.00	396.00

(B) Shares in the company held by each shareholder holding more than 5%:

Name of shareholder	No of shares at year end	No of shares at year end
Duvvuru Sreelatha	16.88	16.88
Duvvuru Venkata Sivakumar Reddy	3.20	3.20
Kallurupalli Parvathi Reddy	2.00	2.00
D Vinaya	9.00	9.00
Thikavarapu Nalini Reddy	2.08	2.08

Name of shareholder	% as at year end	% as at year end
Duvvuru Sreelatha	43	43
Duvvuru Venkata Sivakumar Reddy	8	8
Kallurupalli Parvathi Reddy	5	5
D Vinaya	23	23
Thikavarapu Nalini Reddy	5	5

ERP SOFT SYSTEMS LIMITED

(C) The reconciliation of the number of shares outstanding is set out below:

Particular	As at 31-03-2024 No of shares	As at 31-03-2023 No of shares
Equity Shares at the beginning of the year	39600000	39600000
Equity Shares at the end of the year	39600000	39600000

(D) Shares held by promoters

(in Lakhs)

Promotors name	As at 31.03.2024		
	No of shares	% of total share	% of change during the year
Duvvuru Venkata Sivakumar Reddy	3	8	0
Duvvuru Sreelatha	17	43	0
Kallurupalli Parvathi Reddy	2	5	0

(in Lakhs)

Promotors name	As at 31.03.2022		
	No of shares	% of total share	% of change during the year
Duvvuru Venkata Sivakumar Reddy	3	8	0
Duvvuru Sreelatha	17	43	0
Kallurupalli Parvathi Reddy	2	5	0

The Company has issued only one class of Equity Shares having per value of Rs 10/- each. Each holder of Equity Share is entitled to one vote per share. The Company declares dividends in India Rupees. The Dividend proposed By the Board of Director is subjects to the approval by the Shareholders at the Annual General Meeting.

Dividend

The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the sharholders in the ensuing Annual General Meeting expect in case of interim dividend. The remittance of dividends outside India is governed by Indian Law on foreign exchange and is subject to applicable distribution taxes.

ERP SOFT SYSTEMS LIMITED

Note: 11 OTHER EQUITY

(Rs in Lakhs)

PARTICULARS	As at 31-03-2024	As at 31-03-2023
a Balance in the beginning of the reporting period	326.90	320.98
Total comprehensive income for the year	9.40	7.44
Excess Income Tax Provision Reversed	0.87	-1.52
Closing Balance	337.17	326.90

Note: 12 BORROWINGS

(Rs in Lakhs)

PARTICULARS	As at 31-03-2024	As at 31-03-2023
a Loans and advances from related parties		
(i) Duvvuru Venkata Sivakumar Reddy	0.00	0.00
	0.00	0.00

Note-13 Trade Payables

(Rs in Lakhs)

PARTICULARS	As at 31-03-2024	As at 31-03-2023
(i) Total outstanding dues of micro and small enterprises	0.00	0.00
(ii) Total outstanding dues other than above	1.64	1.00
	1.64	1.00

Note 13. (a) TRADE PAYABLES AGIING SCHEDULE For the year ended 31.03.2024

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total As at 31.03.2024
MSME	-	-	-	-	-
Others	1.64	-	-	-	1.64
Dispute dues-MSME	-	-	-	-	-
Dispute dues	-	-	-	-	-
Others	-	-	-	-	-
Total	1.64	-	-	-	1.64

ERP SOFT SYSTEMS LIMITED

Note 13. (a) TRADE PAYABLES AGIING SCHEDULE For the year ended 31.03.2023

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total As at 31.03.2024
MSME	-	-	-	-	-
Others	1.00	-	-	-	1.00
Dispute dues-MSME	-	-	-	-	-
Dispute dues	-	-	-	-	-
Others	-	-	-	-	-
Total	1.00	-	-	-	1.00

Note:14 OTHER CURRENT LIABILITIES

(Rs in Lakhs)

PARTICULARS	As at 31-03-2024	As at 31-03-2023
a Others	5.23	14.28
b TDS payable	1.51	0.08
	6.74	14.36

Note: 15 SHORT TEREM PROVISION

(Rs in Lakhs)

PARTICULARS	As at 31-03-2024	As at 31-03-2023
a Provision for audit fee	0.68	0.68
b Provision for Income Tax	4.73	5.36
	5.41	6.04

Note-16 REVENUE FROM OPERATIONS

(Rs in Lakhs)

PARTICULARS	For the year ended 31-03-2024	For the year ended 31-03-2023
	Rs.	Rs.
Sale of Services	212.62	306.18
	212.62	306.18

ERP SOFT SYSTEMS LIMITED

Note-17 OTHER INCOME

(Rs in Lakhs)

PARTICULARS	For the year ended 31-03-2024	For the year ended 31-03-2023
	Rs.	Rs.
a Net gain/loss on foreign currency transaction and translation	0.22	2.08
b Net gain/loss on sale of Investments	0.00	0.00
c Other Income	0.00	0.02
d Dividend Income	0.00	0.00
	0.22	2.10

Note-18 EMPLOYEE BENEFIT EXPENSES

(Rs in Lakhs)

PARTICULARS	For the year ended 31-03-2024	For the year ended 31-03-2023
	Rs.	Rs.
a Salaries and wages	16.20	17.14
b Managerial Remuneration	6.00	6.00
c Staff Welfare expenses	0.75	0.48
	22.95	23.62

Note-19 OTHER EXPENSES

(Rs in Lakhs)

PARTICULARS	For the year ended 31-03-2024	For the year ended 31-03-2023
	Rs.	Rs.
a Professional / Consultancy Fees	155.94	253.19
b Other expenses	15.57	17.15
	171.51	270.34

ERP SOFT SYSTEMS LIMITED

PAYMENT TO AUDITOR

Note 19a To statutory auditor

(Rs in Lakhs)

PARTICULARS	For the year ended 31-03-2024	For the year ended 31-03-2023
	Rs.	Rs.
a Statutory audit fee	0.5	0.5
b Quarterly audit fee	0.25	0.25
c Internal Auditor fee	0.257	0
d Reimbursement of expenses	0	0
	1.01	0.75
Total	172.52	271.09

20. Investments in the Balance Sheet comprises of short term surplus funds invested in liquid schemes of Mutual Funds which are measured at fair value through Profit and loss.

21. The Company has 100% Subsidiary in US namely Libertycom, LLC

22. Contingent Liabilities: There are no Contingent liabilities as on date.

23. Disclosure of related parties and related party transactions:

Transaction during the year

Key Managerial Personnel

Name of related parties	Nature of relationships
K. Parvathi Reddy	Director
D. Sarojanamma	Director

Nature of Transaction	Amount (in Rs) 31.03.2024	Amount (in Rs) 31.03.2023
Remuneration	6,00,000	6,00,000

ERP SOFT SYSTEMS LIMITED

24. Earnings per share (EPS)

Particulars Year ended	Year ended 31.03.2024	Year ended 31.03.2023
Profit after tax attributable to the owners (Rs. in lakhs)	9.40	7.44
Weighted average number of equity shares outstanding in calculating Basic EPS (No's in lakhs)	396	396
Weighted average number of equity shares outstanding in calculating Basic EPS (No's in lakhs)	396	396
Face value per share	10	10
Basic Earnings per Share (EPS) (Rs. in lakhs)	0.24	0.19
Diluted Earnings per Share (EPS) (Rs. in lakhs)	0.24	0.19

25. There are no dues to Small Scale Industries which is outstanding for more than 30 days at the Balance Sheet Date computed on unit wise basis. The above information regarding Small Scale undertaking has been determined to the extent such parties have been identified on the basis of information available with the Company and have been relied upon by the Auditors.

26. Valuation of Property Plant & Equipment, intangible asset

The Company has not revalued its property, plant and equipment or intangible assets or both during the current or previous year.

27. Title deeds of immovable properties

The company does not own any immovable property during the current and previous financial year.

28. Loans or advances to specified persons

No loans or advances in the nature of loans are granted to promoters, directors, KMPS and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are repayable on demand or without specifying any terms or period of repayment.

29. Details of benami property held

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder for the year ended 31 March 2024

30. Borrowing secured against current assets

The Company has not borrowed any money from banks on the basis of security of current assets. The filing of quarterly returns or statements of current assets by the Company with banks do not arise.

31. Willful defaulter

The Company has not been declared willful defaulter by any bank or financial institution or other lender.

32. Compliance with approved scheme(s) of arrangements

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year

33. Relationship with struck off companies

The Company has no transactions with the companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.

34. Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under the Section 2(87) of the Companies Act, 2013 read with Companies (Restriction on number of layers) Rules, 2017.

35. Utilisation of borrowed funds and share premium

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

36. Registration of charges or satisfaction with Registrar of Companies (ROC)

There are no charges or satisfaction yet to be registered with Registrar of Companies (ROC) beyond the statutory period.

37. Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded previously in the books of account.

38. Corporate Social Responsibility (CSR)

The Company does not meet the criteria specified under Section 135 of the Act require constituting a Corporate Social Responsibility Committee and formulate a Policy for this purpose.

39. Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

ERP SOFT SYSTEMS LIMITED

40. Ratios

Ratios	Numerator	Denominator	As at 31.03.2024	As at 31.03.2023	% of Change	Reasons for variance of above 25%
Current ratio	current assets	current Liabilities	9.28	5.62	65%	Since there is an increase in Trade Receivables
Debt Equity Ratio	Debt Capital	Shareholder's Equity	0.06%	0.04%	50%	Increase in PADT
Debt Service coverage ratio	EBIT+Depreciation+Interest on Loan	Debt Service (Int+Principal)	0.00%	0.00%	0%	
Return on Equity Ratio	Net Profits after taxes	Average Shareholder's Equity	0.01%	0.01%	0%	
Inventory Turnover Ratio	COGS	Average Inventory	0	0	0%	
Trade Receivables turnover ratio	Net Credit Sales	Average trade receivables	6.04	7.6	-17%	
Trade payables turnover ratio	Net Credit purchases	Average Trade Payables	0	0	0%	
Net capital turnover ratio	Sales	Working capital (CA-CL)	1.86	3.1	-67%	There is a dip in top line sales
Net profit ratio	Net Profit	Sales	4.72	2.49	47%	Increase in PADT
Return on Capital employed	Earnings before interest and tax	Capital Employed	1.85%	1.35%	27%	Increase in PADT
Return on investment	Income generated from investments	Investment	1.28%	1.03%	19.53%	

41. Previous year's figures have been regrouped wherever necessary.

For Vijayaraghavan & Associates
Chartered Accountants
Regn No : 05699S

Sd/-
P B Vijayaraghavan
Partner
M.No 015103

Place: Chennai
Date: 29.05.2024

For and on behalf of the board of Directors of
ERP Soft Systems Limited

Sd/-
D.Sarojanamma
Director
DIN: 05208974

Sd/-
Shivangi Choudhry
CS

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

Sd/-
Ila Raveendra Babu
CFO

INDEPENDENT AUDITOR'S REPORT

To the Members of ERP Soft Systems Limited

Report on the Audit of the consolidated financial statements

Opinion

We have audited the accompanying Consolidated Financial Statements of ERP Soft Systems Limited ("hereinafter referred to as the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") comprising of the consolidated Balance Sheet as at March 31, 2024, the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated statement of changes in equity and the consolidated Cash Flow Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information prepared based on the relevant records (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2024, of consolidated total comprehensive income (comprising of consolidated profit and other comprehensive income), consolidated changes in equity, and its consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Indian Accounting Standards (Ind AS) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act and the Rules thereunder, and We have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence We have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and We do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

Information other than the consolidated financial statements and auditors' report thereon

The Holding Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual Report but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work We have performed, We conclude that there is a material misstatement of this other information, We are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities;

selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of companies included in the Group are responsible for assessing the Group ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

ERP SOFT SYSTEMS LIMITED

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, We are also responsible for expressing our opinion on whether the Holding company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Groups ability to continue as a going concern. If We conclude that a material uncertainty exists, We are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of the Holding Company included in the consolidated financial statements of which We are the independent auditor.
- Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Holding company included in the consolidated financial statement of which We are the independent auditor regarding among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that We identify during our audit.

We also provide those charged with governance with a statement that We have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, We determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, We determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

The consolidated financial statements include the unaudited financial statements of one subsidiary whose financial statements / financial information reflect total assets of Rs.1609.26 lakhs as at 31st March 2024, total revenues of Rs.957.76 lakhs and cash and cash equivalents amounting to Rs.33.60 lakhs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit/loss after tax of Rs.7.99 lakhs for the year ended 31st March 2024, as considered in the consolidated financial statements, in respect of associates, whose financial statements / financial information have not been audited by us. These financial statements / financial information are unaudited and have been furnished to us by the Board of Directors of the Holding Company and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary, is based solely on such unaudited financial statements /financial information.

Our opinion on the consolidated financial statement and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the financial statement /

financial information certified by the Board of Directors of the Holding Company.

Report on Other Legal and Regulatory Requirements

- (A) As required by Section 143 (3) of the Act, We report, to the extent applicable, that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.
 - d) In our opinion, the aforesaid Consolidated financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors of the holding company as on 31st March, 2024 taken on record by the Board of Directors of the holding company, none of the directors of the holding company is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- (B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, (as amended) in our opinion and to the best of our information and according to the explanations given to us:
- i. The Group does not have any pending litigations which would impact its financial position.
 - ii. The Group does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

ERP SOFT SYSTEMS LIMITED

- iv. Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that have caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. No dividend have been declared or paid during the year by the Holding company.
- (C) The Holding Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

**For Vijayaraghavan and Associates
Chartered Accountants
Reg.No:005699S**

**Sd/-
P.B. Vijayaraghavan
Partner**

**Member No: 015103
UDIN :24015103BKARBG1011**

**Place: Chennai
Date : 29th May 2024**

ERP SOFT SYSTEMS LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2024

	Note No.	As at	As at
		31-03-2024	31-03-2023
		Rs.	Rs.
I. ASSETS:			
(1) Non-Current Assets			
(a) Property ,Plant and equipment	2	363.57	367.20
(b) Financial assets			
(i)Investment	3	586.92	586.92
(ii) Other financial assets	4	0.00	2.00
(c) Deferred tax assets (net)		3.27	2.73
(2) Current Assets			
(a) Financial assets			
(i) Investment	5	0.60	0.60
(iii) Trade Receivables	6	1159.50	984.49
(iv) Cash and Cash Equivalents	7	33.89	38.76
(v) Loans & Advances	8	199.09	156.55
(b) Other Current Asset	9	9.37	2.85
Total		2356.21	2142.10
II. EQUITY AND LIABILITIES			
(a) Equity Share Capital	10	396.00	396.00
(b) Other Equity	11	1357.48	1324.97
(2) Non Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	12	188.41	191.57
(3) Current Liabilities:			
(a) Financial liabilities			
(i) Borrowings	13	0.00	0.00
(ii) Trade Payables	14	105.08	93.32
(b) Other Current Liabilities	15	294.09	122.56
(c) Provisions	16	15.15	13.68
(d) Current tax Liabilites (net)	17	0.00	0.00
Total		2356.21	2142.10
Significant accounting policies			
See accompanying notes are an integral part of the financial statements	1		

For Vijayaraghavan & Associates
Chartered Accountants
Regn No : 05699S

Sd/-
P B Vijayaraghavan
Partner
M.No 015103

Place: Chennai
Date: 29.05.2024

For and on behalf of the board of Directors of
ERP Soft Systems Limited

Sd/-
D.Sarojanamma
Director
DIN: 05208974

Sd-
Shivangi Choudhry
CS

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

Sd-
Ila Raveendra Babu
CFO

ERP SOFT SYSTEMS LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH 2024

(Rs. in lakhs)

	Note No	For the year ended 31-03-2024 Rs.	For the year ended 31-03-2023 Rs.
I Revenue from operations	17	1170.37	2353.70
II Other Income	18	0.22	2.10
III Total Income		1170.59	2355.80
IV Expenses:			
a Employee benefits expenses	19	598.70	710.36
b Depreciation and amortization expenses	2	3.78	3.78
c Finance Cost		0.00	0.00
d Other expenses	20	543.86	1598.86
Total expenses		1146.34	2313.00
V Profit/ (Loss) before Exceptional item and tax		24.25	42.80
VI Exceptional Items		0.00	0.00
VII Profit/ (Loss) before tax		24.25	42.80
VIII Tax Expenses			
(1) Current tax		7.40	11.13
(2) Deferred tax		(0.54)	0.45
IX Profit/(loss) for the period (VII-VIII)		17.39	31.22
X Other Comprehensive (Income)/Loss			
Exchange differences in translating the financial statements of a Foreign operation		0.00	0.00
XI Total Comprehensive (Income)/Loss for the period		17.39	31.22
Earnings per share:			
(1) Basic		0.44	0.79
(2) Diluted		0.44	0.79
Significant accounting policies			
See accompanying notes are an integral part of the financial statements	1		

For Vijayaraghavan & Associates
Chartered Accountants
Regn No : 05699S

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Partner
M.No 015103

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ERP SOFT SYSTEMS LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH,2024

Particulars	Year ended March 31,2024	Year ended March 31,2023
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/Loss Before Tax	24.25	31.22
Non-Cash Adjustment to Profit Before Tax:		
Depreciation and amortisation expenses	3.78	3.78
Excess provision written off	-	-
Effect of exchange rate changes in cash	8.26	22.19
Operating Profit before working capital Changes		
Decrease/(increase) in Trade receivables and Other Current Assets	(181.53)	(181.05)
Decrease/(increase) in Inventories	0.00	-
Decrease/(increase) Loans	(42.09)	51.85
Decrease/(increase) in Non Current Assets & Deferred tax assets	(0.99)	(0.45)
Increase/(decrease)In Trade Payables	11.76	51.83
Increase/(decrease)In Borrowings and Other Current Liabilities,Provisions	173.00	0.77
Cash generated from operations	-3.56	-19.86
Direct Taxes paid (net of refunds)	0.00	11.58
Net Cash flow from/(used in)operating activities	(3.56)	(8.28)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Additions to Fixed Assets (including capital WIP) and	(0.15)	(0.60)
Decrease/(increase) in Investments	0.00	6.00
Decrease/(increase) in other financial assets	2.00	(0.96)
	1.85	4.44
C. CASH FLOW FROM FINANCING ACTIVITIES		
Increase/(Decrease) in borrowings	(3.16)	12.91
Net cash from Financing activities	(3.16)	12.91
Net Increase in cash and cash equivalents during the period	(4.87)	9.07
Cash and cash equivalents at the beginning of the period	38.76	29.69
Cash and cash equivalents at the end of the period	33.89	38.76

For Vijayaraghavan & Associates
Chartered Accountants
Regn No : 05699S

Sd/-
P B Vijayaraghavan
Partner
M.No 015103

Place: Chennai
Date: 29.05.2024

For and on behalf of the board of Directors of
ERP Soft Systems Limited

Sd/-
D.Sarojanamma
Director
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Managing Director
DIN: 00827258

Sd/-
Ila Raveendra Babu
CFO

ERP SOFT SYSTEMS LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH 2024

Particulars				
A:	EQUITY SHARE CAPITAL			
	For the year ended 31-03-2024	Balance as at 01-04-2024	Changes in equity share capital during the year	Balance as at 31-03-2023
		396.00	-	396.00
	For the year ended 31-03-2023	Balance as at 01-04-2023	Changes in equity share capital during the year	Balance as at 31-03-2022
		396.00	-	396.00
B:	OTHER EQUITY			
	Particular	Reserve and Surplus		
		Capital		
		Redemption	General	Retained
		Reserve	Reserve	Earnings
	Opening balance as on 01-04-2022	-	-	1,324.77
	Total Comprehensive Income for the year	-	-	17.39
	Excess Income Tax Provisions Reversed	-	-	0.87
	Add: Net Translation reserve	-	-	14.45
	Balance at 31-03-2023	-	-	1,357.48

For Vijayaraghavan & Associates
Chartered Accountants
Regn No : 05699S

Sd/-
P B Vijayaraghavan
Partner
M.No 015103

Place: Chennai
Date: 29.05.2024

For and on behalf of the board of Directors of
ERP Soft Systems Limited

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Sd-
Ila Raveendra Babu
CFO

ERP SOFT SYSTEMS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

1. Corporate Information

The Consolidated Financial Statements comprise financial statements of "ERP Soft Systems Limited" ("the Holding Company") and its subsidiary "Libertycom LLC" (collectively referred to as "the Group") for the year ended 31st March 2024.

The principal activities of the Group consist of Providing Software Support & maintenance to the client.

Authorization of financial statements

The Consolidated financial statements are approved for issue by the Company's Board of Directors on 29.05.2024.

2. Summary of Significant Accounting Policies

a. Statement of compliance & Basis of Preparation

1. The Consolidated financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read with Rule 3 Companies (Indian Accounting Standards) Rules, 2015

2. Historical cost convention on an accrual basis

The Consolidated financial statements of the Company have been prepared and presented on a historical cost basis in accordance with Ind AS except for the following:

- Certain financial assets and liabilities that are measured at fair values;

The Consolidated Financial Statements of the Group have been prepared to comply with the Indian Accounting Standards ('Ind AS'), including the rules notified under the relevant provisions of the Companies Act, 2013.

The Consolidated Financial Statements comprises of ERP Soft Systems Limited and its subsidiary, being the entity that it controls. Controls are assessed in accordance with the requirement of Ind AS 110 - Consolidated Financial Statements.

b. Segment Reporting

The operating segments have been identified on the basis of nature of services and the same are accordingly evaluated by the Board of Directors. Group's primary operating segment is providing software Support & maintenance to the client. Group accordingly reports its financials under one segment 'providing software Support & maintenance to the client'.

c. Foreign currency translations

Functional and presentation currency

The financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

Transactions and balances

Transactions in foreign currencies are recognized at the prevailing exchange rates on the transaction dates. Realized gains and losses on settlement of foreign currency transactions are recognized in the Statement of Profit and Loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognized in the Statement of Profit and Loss.

d. Revenue Recognition

Revenue is measured at the fair value of consideration received or receivable. Revenue is recognized when the amount of revenue can be reliably measured; it is probable that future economic benefits will flow to the entity.

Interest income on fixed deposits with banks is recognized on time proportion basis taking in to account the amount outstanding and the rates applicable.

Dividend income from investments is recognized when the company's right to receive payment is established.

e. Tax Expenses

The tax expense for the period comprises of current tax and deferred income tax. Current tax is the tax payable on the taxable income of the current period based on the applicable income tax rates. Deferred tax reflects changes in deferred tax assets and liabilities attributable to

temporary differences and unused tax losses. Tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognized in the Other Comprehensive Income or in Equity. In which case, the tax is also recognized in Other Comprehensive Income or Equity.

Current Tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted at the end of the reporting period.

Deferred income tax is provided in full, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset Realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

f. Impairment of assets

The carrying amount of assets are reviewed at each consolidated Balance Sheet date to assess if there is any indication of impairment based on internal /external factors. An impairment loss on such assessment is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount of the assets is net selling price or value in use, whichever is higher. While assessing value in use, the estimated future cash flows are discounted to the present value by using weighted average cost of capital. A previously recognized impairment loss is further provided or reversed depending on changes in the circumstances and to the extent that carrying amount of the assets does not exceed the carrying amount that will be determined if no impairment loss had previously been recognized.

g. Cash and cash equivalents

Cash and cash equivalent in the Balance Sheet comprise cash on hand and balances with banks in current and deposit accounts.

Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

h. Trade receivables

Trade receivables are recognized when the right to consideration becomes un conditional. These assets are held at amortized cost, using the effective interest rate (EIR) method where applicable, less provision for impairment based on expected credit loss.

i. Investment in subsidiaries

The investment in subsidiaries are carried in the financial statements at historical cost except when the investment is classified as held for sale in which case it is accounted for as non-current assets held for sale and discontinued operations.

Investments in subsidiaries carried at cost are tested for impairment in accordance with Ind AS 36.

Any impairment loss reduces the carrying value of the investment.

j. Trade and other payables

These amounts represent liabilities for goods and services provided to the group prior to the end of financial year which are unpaid. The amounts which are unsecured are presented as current liabilities unless payment is not due within 12 months after the reporting period.

k. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

i. Property, Plant and

Property, Plant and Equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Subsequent costs are included in the carrying amount of asset or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the consolidated Statement of Profit and Loss during the period in which they are incurred.

Plant and Equipment having different useful life are accounted separately.

Depreciation on Property, Plant and Equipment is provided using straight-line method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013

The residual values, useful lives and methods of depreciation of Property, Plant and Equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

m. Intangible assets

(i) Recognition

Intangible assets are recognized only when future economic benefits arising out of the assets flow to the enterprise and are amortized over their useful life.

(ii) Amortization methods and periods

The group amortizes intangible assets on a straight line method over their estimated useful life not exceeding 5 years. Software is amortized over a period of three years.

n. Provisions, Contingent liabilities, Contingent Assets

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the

amount can be reliably estimated. These are reviewed at each year end and reflect the best current estimate. Provisions are not recognized for future operating losses. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

The timing of recognition and quantification of the liability requires the application of judgment to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

o. Employee Benefits

There are no permanent employees eligible for retirement benefits and hence no provision has been made in the accounts for Gratuity, Leave encashment and other retirement benefits.

p. Earnings per share

Basic earnings per share are calculated by dividing the profit after tax or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the EPS is the net profit for the period and any attributable tax thereto for the period. In case there are any dilutive securities during the period presented, the impact of the same is given to arrive at diluted earnings per share.

q. Estimation of uncertainties relating to the global health pandemic COVID-19

The group, to the extent possible, has considered the risks that may result from uncertainty relating to COVID -19 pandemic and its impact on the carrying amounts of trade receivables, Investments, Financial instruments and effectiveness of its hedges. Based on the Group's analysis of the current indicators of the future economic condition on its business and estimates used in its financial statements, the group does not foresee any material impact in the recoverability of the carrying value of the assets. The risk assessment is a continuous process and the group will continue to monitor the impact of the changes in future economic conditions on its business.

r. Classification of Assets and Liabilities into current and Non-Current

The Group presents its assets and liabilities in the Balance Sheet based on current /non-current classification.

An asset is treated as current when it is:

- a) expected to be realized or intended to be sold or consumed in normal operating cycle;
- b) held primarily for the purpose of trading;
- c) expected to be realized within twelve months after the reporting period;
or
- d) cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when:

- a) It is expected to be settled in normal operating cycle;
- b) It is held primarily for the purpose of trading;
- c) It is due to be settled within twelve months after the reporting period; or
- d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the group has ascertained its operating cycle being a period within twelve months for the purpose of current and non-current classification of assets and liabilities.

s. Current Assets and Loans and Advances

In the opinion of the Management, Current Assets, Loans & Advances have a value on Realization in the ordinary course of business at least equal to the amount at which they are stated.

t. Critical accounting judgments and key sources of estimation uncertainty

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in note. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Information about such estimates and judgments are included in the relevant notes together with the basis of calculation for relevant line item in the financial statements. Estimates and judgments are based on historical experience and other factors, including expectations of future events that may have a financial impact on the group and that are believed to be reasonable under the circumstances.

u. Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalization.

Other borrowings costs are expensed in the period in which they are incurred.

v. Principles of Consolidation

- (a) The financial statements of the Holding Company and its subsidiary are combined on a line by line basis by adding together like items of assets, liabilities, equity, incomes, expenses and cash flows, after fully eliminating intra-group balances and intra-group transactions.
- (b) Profits or losses resulting from intra-group transactions that are recognized in assets, such as Inventory and Property, Plant and Equipment, are eliminated in full.
- (c) In case of foreign subsidiaries, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognized in the Foreign Currency Translation Reserve (FCTR) in Other Comprehensive Income.
- (d) The unaudited financial statements of foreign subsidiary have been prepared in accordance with IndAS.
- (e) The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.
- (f) The carrying amount of the parent's investment in each subsidiary is offset (eliminated) against the parent's portion of equity in each subsidiary.

(g) The difference between the proceeds from disposal of investment in subsidiary and the carrying amount of its assets less liabilities as on the date of disposal is recognized in the Consolidated Statement of Profit and Loss being the profit or loss on disposal of investment in subsidiary.

w. Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest two decimal places of lakhs as per the requirement of Schedule III, unless otherwise stated.

ERP SOFT SYSTEMS LIMITED

CONSOLIDATED

Note-2 : PROPERTY, PLANT AND EQUIPMENT

Description	Gross Block (Cost)			Depreciation		Net Block(Cost)	
	As at 31st March 2023	Addition	Disposal	As at 31st March 2024	For the Year	As at 31st March 2024	As at 31st March 2023
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Computer & Peripherals	14.86	0.15	-	15.01	0.47	14.05	1.28
Computer Software	104.88	-	-	104.88	1.62	104.15	2.35
Printer	0.32	-	-	0.32	0.00	0.32	0.00
Air - Conditioner	1.32	-	-	1.32	0.12	0.87	0.57
Motor Cycle	0.35	-	-	0.35	0.00	0.33	0.02
Reporting tool	355.82	-	-	355.82	0.00	0.00	355.82
Mobile	0.74	-	-	0.74	0.07	0.35	0.46
Car	11.44	-	-	11.44	1.36	6.80	6.00
Genset & Power	1.34	-	-	1.34	0.13	0.84	0.63
Furniture and fittings	0.13	-	-	0.13	0.04	0.04	0.09
Current Year	490.59	0.15	-	491.34	3.78	127.76	367.20

ERP SOFT SYSTEMS LIMITED

NOTES TO THE ACCOUNTS AS AT 31st MARCH 2024

Note - 3 INVESTMENTS CARRIED AT COST

(Rs in Lakhs)

PARTICULARS	For the year ended 31-03-2024	For the year ended 31-03-2023
	Rs.	Rs.
ERP info Systems	416.92	416.92
Discreet art productions	34.00	34.00
Yashavee Investment Consultants	136.00	136.00
	586.92	586.92

Note-4 OTHER FINANCIAL ASSETS

(Rs in Lakhs)

PARTICULARS	For the year ended 31-03-2024	For the year ended 31-03-2023
	Rs.	Rs.
(Unsecured considered good)		
a Rental Deposits	0.00	2.00
	2.00	2.00
MOVEMENT IN DEFERRED TAX ASSETS (NET)		
Deferred Tax Asset		
Arising on account of timing difference in:		
Depreciation on Fixed Assets	0	0
Opening balance	2.73	2.28
Deferred tax Liability	0.54	0.45
Deferred tax asset reversed	0	0
Net Deferred Tax Asset	3.27	2.73

ERP SOFT SYSTEMS LIMITED

Note-5 INVESTMENTS

(Rs in Lakhs)

PARTICULARS	For the year ended 31-03-2024	For the year ended 31-03-2023
	Rs.	Rs.
a. Investments in Liquid Scheme of mutual funds Measured at FVTPL	0.60	0.60
	0.60	0.60

Note-6 TRADE RECEIVABLE

(Rs in Lakhs)

PARTICULARS	For the year ended 31-03-2024	For the year ended 31-03-2023
	Rs.	Rs.
(Unsecured considered good)		
a Undisputed Trade Receivables- Considered Goods	1159.50	984.59
	1159.50	984.59

Note 6. (a) TRADE RECEIVABLES AGING SCHEDULE: For the year ended 31.03.2024

Particulars	Outstanding for following periods from due date of payment					Total As at 31.03.2024
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables- Considered Goods	376.27	412.21	245.92	112.24	12.86	1,159.50
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
total	376.27	412.21	245.92	112.24	12.86	1,159.50

ERP SOFT SYSTEMS LIMITED

Note 6. (b) TRADE RECEIVABLES AGING SCHEDULE: For the year ended 31.03.2023

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total As at 31.03.2024
(i) Undisputed Trade Receivables- Considered Goods	244.89	501.06	132.87	87.21	18.56	984.59
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
total	244.89	501.06	132.87	87.21	18.56	984.59

Note-7 CASH AND CASH EQUIVALENTS

(Rs in Lakhs)

PARTICULARS	For the year ended 31-03-2024	For the year ended 31-03-2023
	Rs.	Rs.
a. Balance with banks	33.66	37.86
b. Cash in hand	0.23	0.90
	33.89	38.76

Note-8 LOANS AND ADVANCES

(Rs in Lakhs)

PARTICULARS	For the year ended 31-03-2024	For the year ended 31-03-2023
	Rs.	Rs.
(Unsecured considered good)		
a. Loans to employees (Secured)	0.28	6.93
b. Advances	198.36	149.62
	198.64	156.55

ERP SOFT SYSTEMS LIMITED

Note- 9 OTHER CURRENT ASSETS

(Rs in Lakhs)

PARTICULARS	For the year ended 31-03-2024	For the year ended 31-03-2023
	Rs.	Rs.
a Others	9.37	2.85
	9.37	2.85

Note: 10(A) Authorised, Issued, Subscribed and Paid-up share capital and par value per share

(Rs in Lakhs)

PARTICULARS	For the year ended 31-03-2024	For the year ended 31-03-2023
	Rs.	Rs.
Authorised Share Capital 4500000 Equity share of Rs 10/-each	450.00	450.00
Issued, Subscribed and Paid Up 3960000 Equity share of Rs 10/-each	396.00	396.00

(B) Shares in the company held by each shareholder holding more than 5%:

Name of shareholder	No of shares at year end	No of shares at year end
Duvvuru Sreelatha	16.88	16.88
Duvvuru Venkata Sivakumar Reddy	3.20	3.20
Kallurupalli Parvathi Reddy	2.00	2.00
D Vinaya	9.00	9.00
Thikavarapu Nalini Reddy	2.08	2.08

ERP SOFT SYSTEMS LIMITED

Name of shareholder	% as at year end	% as at year end
Duvvuru Sreelatha	43	43
Duvvuru Venkata Sivakumar Reddy	8	8
Kallurupalli Parvathi Reddy	5	5
D Vinaya	23	23
Thikavarapu Nalini Reddy	5	5

('C) The reconciliation of the number of shares outstanding is set out below:

Particular	As at 31-03-2024 No of shares	As at 31-03-2023 No of shares
Equity Shares at the beginning of the year	39600000	39600000
Equity Shares at the end of the year	39600000	39600000

(D) Shares held by promoters

(in Lakhs)

Promoters name	As at 31.03.2024		
	No of shares	% of total share	% of change during the year
Duvvuru Venkata Sivakumar Reddy	3	8	0
Duvvuru Sreelatha	17	43	0
Kallurupalli Parvathi Reddy	2	5	0

(in Lakhs)

Promoters name	As at 31.03.2023		
	No of shares	% of total share	% of change during the year
Duvvuru Venkata Sivakumar Reddy	3	8	0
Duvvuru Sreelatha	17	43	0
Kallurupalli Parvathi Reddy	2	5	0

ERP SOFT SYSTEMS LIMITED

The Company has issued only one class of Equity Shares having per value of Rs 10/- each. Each holder of Equity Share is entitled to one vote per share. The Company declares dividends in India Rupees. The Dividend proposed By the Board of Director is subjects to the approval by the Shareholders at the Annual General Meeting.

Dividend

The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the sharholders in the ensuing Annual General Meeting expect in case of interim dividend. The remittance of dividends outside India is governed by Indian Law on foreign exchange and is subject to applicable distribution taxes.

Note: 11 OTHER EQUITY

(Rs in Lakhs)

PARTICULARS	As at 31-03-2024	As at 31-03-2023
a Balance in the begining of the reporting period	1324.77	1271.56
b Total comprehensive income for the year	17.39	31.22
c Foreign Currency Translation Reserve (FCTR)	14.45	21.99
d Excess Income Tax Provisions Reversed	0.87	0.00
Less: Debit balance in translation reserve	0.00	0.00
Closing Balance	1357.48	1324.77

Note: 12 BORROWINGS (NON CURRENT)

(Rs in Lakhs)

PARTICULARS	As at 31-03-2024	As at 31-03-2023
a Secured loan		
(i) EIDL Loan from SBA	85.86	90.49
(ii) Other Loans	102.55	101.08
	188.41	191.57

Note: 12 BORROWINGS (CURRENT)

(Rs in Lakhs)

PARTICULARS	As at 31-03-2024	As at 31-03-2023
a Borrowings	0.00	0.00
	0.00	0.00

ERP SOFT SYSTEMS LIMITED

Note-13 Trade Payables

(Rs in Lakhs)

PARTICULARS	As at 31-03-2024	As at 31-03-2023
(i) Total outstanding dues of micro and small enterprises	103.44	92.32
(ii) Total outstanding dues other than above	1.64	1.00
	105.08	93.32

Note 14(a) TRADE PAYABLES AGIING SCHEDULE For the year ended 31.03.2024

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total As at 31.03.2024
MSME	-	-	-	-	-
Others	105.08	-	-	-	105.08
Dispute dues-MSME	-	-	-	-	-
Dispute dues	-	-	-	-	-
Others	-	-	-	-	-
Total	105.08	-	-	-	105.08

Note 14(b) TRADE PAYABLES AGIING SCHEDULE For the year ended 31.03.2023

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total As at 31.03.2024
MSME	-	-	-	-	-
Others	93.93	-	-	-	93.32
Dispute dues-MSME	-	-	-	-	-
Dispute dues	-	-	-	-	-
Others	-	-	-	-	-
Total	93.93	-	-	-	93.32

Note:15 OTHER CURRENT LIABILITIES

(Rs in Lakhs)

PARTICULARS	As at 31-03-2024	As at 31-03-2023
a Others	294.09	122.56
	294.09	122.56

ERP SOFT SYSTEMS LIMITED

Note-15 SHORT TEREM PROVISION

(Rs in Lakhs)

PARTICULARS	As at 31-03-2024	As at 31-03-2023
a Provision for audit fee	0.68	0.68
b Provision for Income Tax	4.73	5.36
	5.41	6.04

Note-16 PROVISIONS

(Rs in Lakhs)

PARTICULARS	For the year ended 31-03-2024	For the year ended 31-03-2023
	Rs.	Rs.
a Audit Fee provision	0.68	0.68
b Provision for Income Tax	15.15	13.00
	15.15	13.68

Note-17 REVENUE FROM OPERATIONS

(Rs in Lakhs)

PARTICULARS	For the year ended 31-03-2024	For the year ended 31-03-2023
	Rs.	Rs.
Sale of Services	1170.37	2353.70
	1170.37	2353.70

Note-18 OTHER INCOME

(Rs in Lakhs)

PARTICULARS	For the year ended 31-03-2024	For the year ended 31-03-2023
	Rs.	Rs.
a Net gain/loss on foreign currency transaction and translation	0.22	2.10
b Net gain/loss on sale of Investments	0.00	0.00
e Other income	0.00	0.00
	0.22	2.10

ERP SOFT SYSTEMS LIMITED

Note-19 EMPLOYEE BENEFIT EXPENSES

(Rs in Lakhs)

PARTICULARS	For the year ended 31-03-2024	For the year ended 31-03-2023
	Rs.	Rs.
a Salaries and wages	491.51	539.76
b Managerial Remuneration	6.00	6.00
c Staff Welfare	101.19	164.60
	598.70	710.36

Note-20 OTHER EXPENSES

(Rs in Lakhs)

PARTICULARS	For the year ended 31-03-2024	For the year ended 31-03-2023
	Rs.	Rs.
a Contract/Consulting Charges	333.37	1,190.87
b Lease	67.85	3.08
c Rent	1.80	44.65
d Travelling Expenses	13.78	24.02
e Other expenses	127.06	336.24
	543.86	1,598.86

Note-20a PAYMENT TO AUDITOR To statutory auditor

(Rs in Lakhs)

PARTICULARS	For the year ended 31-03-2024	For the year ended 31-03-2023
	Rs.	Rs.
a Statutory audit fee	0.5	0.5
b Quarterly audit fee	0.25	0.25
c Internal Auditor fee	0	0
d Reimbursmet of expenses	0	0
Total	0.75	0.75

ERP SOFT SYSTEMS LIMITED

21. Investments in the Balance Sheet comprises of short term surplus funds invested in liquid schemes of Mutual Funds which are measured at fair value through Profit and loss.
22. The Company has 100% Subsidiary in US namely Libertycom, LLC

Name of the entity	Place of Business/Country of incorporation	Ownership interest held by the Company	Ownership interest held by Non-Controlling interests	
		31 March 2023	31 March 2023	Principal activity
Libertycom LLC	USA	100%	0%	Libertycom is a system integrator based in the United States, specializing in GIS, Salesforce, ERP Solutions, and a range of software, IT services, business intelligence /Analytics projects and staffing.

23. Other disclosures

Additional information required by Schedule III

Name of the Entity	Country of Incorporation	Ownership in %	Net assets (Total assets minus total liabilities)		Share of profit or (loss)		Share in other comprehensive Income		Share in total comprehensive Income	
			As % of Consolidated net assets	Amount Rs. in Lakhs	As % of Consolidated net assets	Amount Rs. in Lakhs	As % of Consolidated net assets	Amount Rs. in Lakhs	As % of Consolidated net assets	Amount Rs. in Lakhs
			As at 31.03.2024		As at 31.03.2024		As at 31.03.2024		As at 31.03.2024	
Parent										
ERP Soft Systems Limited	IND	100%	100%	1753.48	100%	17.39	100%	-	100%	17.39
Subsidiary - foreign										
Libertycom LLC	USA	100%	100%	-	100%	-	100%	-	100%	-

Name of the Entity	Country of Incorporation	Ownership in %	Net assets (Total assets minus total liabilities)		Share of profit or (loss)		Share in other comprehensive Income		Share in total comprehensive Income	
			As % of Consolidated net assets	Amount Rs. in Lakhs	As % of Consolidated net assets	Amount Rs. in Lakhs	As % of Consolidated net assets	Amount Rs. in Lakhs	As % of Consolidated net assets	Amount Rs. in Lakhs
			As at 31.03.2023		As at 31.03.2023		As at 31.03.2023		As at 31.03.2023	
Parent										
ERP Soft Systems Limited	IND	100%	100%	1720.97	100%	31.22	100%	-	100%	31.22
Subsidiary - foreign										
Libertycom LLC	USA	100%	100%	-	100%	-	100%	-	100%	-

ERP SOFT SYSTEMS LIMITED

24. Contingent Liabilities: There are no Contingent liabilities as on date.

25. Disclosure of related parties and related party transactions:

Transaction during the year

Key Managerial Personnel

Name of related parties	Nature of relationships
K. Parvathi Reddy	Director
D. Sarojanamma	Director

Nature of Transaction	Amount (in Rs) 31.03.2024	Amount (in Rs) 31.03.2023
Remuneration	6,00,000	6,00,000

26. Earnings per share (EPS)

Particulars Year ended	Year ended 31.03.2024	Year ended 31.03.2023
Profit after tax attributable to the owners (Rs. in lakhs)	17.39	31.22
Weighted average number of equity shares outstanding in calculating Basic EPS (No's in lakhs)	396	396
Weighted average number of equity shares outstanding in calculating Basic EPS (No's in lakhs)	396	396
Face value per share	10	10
Basic Earnings per Share (EPS) (Rs. in lakhs)	0.44	0.79
Diluted Earnings per Share (EPS) (Rs. in lakhs)	0.44	0.79

27. There are no dues to Small Scale Industries which is outstanding for more than 30 days at the Balance Sheet Date computed on unit wise basis. The above information regarding Small Scale undertaking has been determined to the extent such parties have been identified on the basis of information available with the Company and have been relied upon by the Auditors.

28. Valuation of Property Plant & Equipment, intangible asset

The Group has not revalued its property, plant and equipment or intangible assets or both during the current or previous year.

29. Title deeds of immovable properties

The group does not own any immovable property during the current and previous financial year.

30. Loans or advances to specified persons

No loans or advances in the nature of loans are granted to promoters, directors, KMPS and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are repayable on demand or without specifying any terms or period of repayment.

31. Details of benami property held

No proceedings have been initiated on or are pending against the group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder for the year ended 31 March 2023.

32. Borrowing secured against current assets

The Group has not borrowed any money from banks on the basis of security of current assets. The filing of quarterly returns or statements of current assets by the Company with banks do not arise.

33. Willful defaulter

The Group has not been declared willful defaulter by any bank or financial institution or other lender.

34. Compliance with approved scheme(s) of arrangements

The group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

35. Relationship with struck off companies

The group has no transactions with the companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.

36. Compliance with number of layers of companies

The group has complied with the number of layers prescribed under the Section 2(87) of the Companies Act, 2013 read with Companies (Restriction on number of layers) Rules, 2017.

37. Utilisation of borrowed funds and share premium

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the group to or in any other person or entity, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the group (Ultimate Beneficiaries). The group has not received any fund from any party (Funding Party) with the understanding that the group shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

38. Registration of charges or satisfaction with Registrar of Companies (ROC)

There are no charges or satisfaction yet to be registered with Registrar of Companies (ROC) beyond the statutory period.

39. Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded previously in the books of account.

40. Corporate Social Responsibility (CSR)

The Company does not meet the criteria specified under Section 135 of the Act require constituting a Corporate Social Responsibility Committee and formulate a Policy for this purpose.

ERP SOFT SYSTEMS LIMITED

41. Details of crypto currency or virtual currency

The group has not traded or invested in crypto currency or virtual currency during the current or previous year.

42. Utilisation of borrowings availed from banks and financial institutions

The borrowings obtained by the group from banks and financial institutions have been applied for the purposes for which such loans were taken.

43. Previous year's figures have been regrouped wherever necessary.

For Vijayaraghavan & Associates
Chartered Accountants
Regn No : 05699S

Sd/-
P B Vijayaraghavan
Partner
M.No 015103

Place: Chennai
Date: 29.05.2024

For and on behalf of the board of Directors of
ERP Soft Systems Limited

Sd/-
D.Sarojanamma
Director
DIN: 05208974

Sd-
Shivangi Choudhry
CS

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

Sd-
Ila Raveendra Babu
CFO

If undelivered please return to :

ERP Soft Systems Limited

10-A, Tranquil Nest, 3rd Main Road,
Kamakoti Nagar, Pallikaranai,
Chennai, Tamil Nadu – 600100