



Realize Your Ideas

# ANNUAL REPORT

# 2015-16

# CORPORATE INFORMATION

## Board of Directors

### Frederick Ivor Bendle

Managing Director & CEO (wef from 13<sup>th</sup> November 2015)

### Bhavesh Rameshlal Chauhan

Managing Director & CEO (upto 13<sup>th</sup> November 2015)

### Dr. P J George

Non Executive Independent Director

### T R Ramasamy

Non Executive Independent Director

### Vijayapriya

Woman Director (Non Executive Director)

### Registrars and Share Transfer Agent

Integrated Enterprises (India) Ltd,  
(Unit: California Software Co Ltd)  
2nd floor, Kencees Towers,  
1, Ramakrishna Street, North Usman Road  
T Nagar, Chennai - 600017 India  
Tel: +91-44- 28140801 to 28140803  
Email: yuvraj@integratedindia.in

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Company Secretary & Compliance Officer

**Jitendra Kumar Pal**

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Auditors

### N. Balasubramanian Associates

Chartered Accountants

Flat No. 5, Raj Villa, Door No. 6,  
Rama Rao Road, Mylapore, Chennai - 600 004.

### Main Bankers

Canara Bank

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### Stock Exchanges -Listed on

I - National Stock Exchange of India Limited

II - The Bombay Stock Exchange Limited

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### Contact us:

Registered Office & Corporate Office

7th Floor, Robert V Chandran Tower

No.149, Velachery Tambaram Main Road,

Pallikarnai, Chennai- 600 100

Telephone Nos. +91- 44-42829000

Fax No. +91-44-42829012

Email for shareholders: investor@calsoftgroup.com

Website: www.calsoftgroup.com

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## Letter to Shareholder



Dear Shareholders,

During the year your Directors managed to achieve a successful sale of the Company's only asset, a 4/7ths share in the building known as RVC Towers in Chennai. Continuing oversupply of property in the Chennai market, together with a backlog of repairs and maintenance issues which had accumulated due to lack of funds over several years, led to a low sales price for the building. The net price achieved was insufficient to meet the outstanding obligations on the Canara Bank mortgage and the company's major shareholder provided financial assistance to bridge the shortfall and allow the sale to proceed. The sale closed and was registered on 17th February 2016, and all of the sale proceeds have been received by the

Company. However the sale process will not be complete until later in the year when a number of post-closing obligations are fully met. Following the sale the Company no longer has any rental income or other source of revenue, and retains only a very small staff of 2 persons in order to maintain the company's compliance with various regulations and statutory obligations.

**Frederick Ivor Bendle**  
Managing Director & CEO

## NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the Twenty Fourth Annual General Meeting of the Company will be held on Wednesday the 28<sup>th</sup> September 2016 at 9.30 a.m. at 2nd Floor, Robert V Chandran Tower, # 149, Velachery Tambaram Main Road, Pallikaranai, Chennai - 600 100 transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the
  - a) Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March 2016
  - b) Audited Consolidated Financial Statements of the Company for the financial year ended 31<sup>st</sup> March 2016.
2. To appoint a Director in place of Dr. P.J. George (DIN-0334799), who retires by rotation and being eligible, offer himself for re-appointment.
3. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:
 

"RESOLVED that, pursuant to the provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder and pursuant to the recommendation of the Audit Committee and Board of Directors, consent of the Company be and is hereby accorded to re-appoint M/s. N.Balasubramanian Associates, Chartered Accountants, Chennai (Firm Regn. No. 0355S) as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the 29<sup>th</sup> Annual General Meeting to be held in the year 2021, on a remuneration to be mutually agreed upon between the Board of Directors of the Company and the Auditor"

### SPECIAL BUSINESS:

#### 4. Authority to borrow moneys.

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

RESOLVED THAT in supersession of the earlier Resolutions passed by the Members in this behalf and pursuant to the provisions of Section 180 (1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof), the Memorandum and Articles of Association of the Company, consent of the Members be and is hereby accorded to the Company, to borrow from time to time any sum or sums of monies (exclusive of interest) on such terms and conditions as the Board of Directors and/or the Committee of Directors may determine, from anyone or more of the Company's bankers and/or from anyone or more other banks, persons, firms, companies/bodies corporate, group and associate companies, financial institutions, institutional investor(s), mutual funds, insurance companies, pension funds and or any entity/entities or authority/authorities, whether in India or abroad, and whether by way of cash credit, advance or deposits, loans or bill discounting, issue of debentures, commercial papers, long/short term loans, suppliers' credit securities instruments such as floating rate notes, fixed rate notes, syndicated loans, commercial borrowing from the private sector window of multilateral financial institutions, either in rupees and/or in such other foreign currencies as may be permitted by law from time to time, and/or any other instruments/securities or otherwise and whether unsecured or secured by mortgage, charge, hypothecation or lien or pledge of the Company's assets, licenses and properties, whether immovable or movable and all or any of

the undertaking of the Company, notwithstanding that the moneys to be borrowed together with the moneys already borrowed by the Company [apart from temporary loans obtained from the Company's bankers in the ordinary course of business and exempted categories of deposits/loans received by the Company under Non-Banking Finance Companies (Reserve Bank) Directions, 1977, as amended from time to time will or may exceed the aggregate of the paid-up capital of the Company and its free reserves, provided that the total amount up to which the moneys may be borrowed by the Board of Directors and/or the Committee of Directors and outstanding at any time shall not exceed the sum of Rs. 200 Crores/ - (Rupees Two hundred Crores only).

RESOLVED FURTHER THAT for the purpose of giving effect to the above Resolution, the Board of Directors of the Company be and is hereby authorised to take all such actions and to give all such directions and to do all such acts, deeds, matters and things as may be necessary and/or expedient in that behalf."

#### 5. Service of Documents

"Resolved that, pursuant to Section 20 (2) of the Companies Act, 2013, consent of the Company be and is hereby accorded to the Board of Directors to agree to the request of members for delivery of documents of the company by post or registered post or speed post or courier or through personal delivery or through electronic mode as may be requested by the member on payment of a fee not exceeding Rs.250/- for each such delivery of documents.

RESOLVED FURTHER that the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds or things which may be required to give effect to this resolution."

#### 6. Appointment of Mr. Mahalingam Vasudevan as an Independent Director.

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

"RESOLVED THAT Mr. Mahalingam Vasudevan, (DIN: 01608150) who was appointed as an Additional Director of the Company by the Board of Directors with effect from 12<sup>th</sup> August, 2016 pursuant to Section 161(1) of the Companies Act, 2013 and whose term of office expires at the Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature to the Office of Director, be and is hereby appointed as a Director of the Company."

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules framed there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act, Mr. Mahalingam Vasudevan, (DIN: 01608150) a non-executive director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, to hold office for five consecutive years for a term from, 12<sup>th</sup> August 2016 to 11<sup>th</sup> August, 2021."

By order of the Board

For **California Software Company Limited**

Chennai  
12<sup>th</sup> August 2016

**Jitendra Kumar Pal**  
Company Secretary

**Notes:**

- a. A SHAREHOLDER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A SHAREHOLDER.
- b. The Register of Members and the Share Transfer Books of the Company will remain closed from 22<sup>nd</sup> September 2016 to 28<sup>th</sup> September 2016 (both days inclusive) in connection with the Annual General Meeting.
- c. Shareholders are given an option to hold their securities in a depository or in the physical form. However it maybe noted that for trading purposes on NSE & BSE, the Company's stock is in compulsory demat trading list.
- d. Shareholders of physical format shares opting to convert shares to depository form are requested to notify through their Depository Participant (DP) to the Company's REGISTRAR AND SHARE TRANSFER AGENTS through filling the demat request form available with their DP to the address given herein:  
 INTEGRATED ENTERPRISES (INDIA) LTD.,  
 Unit: California Software Co Ltd  
 "Kences Towers", II Floor, 1, Ramakrishna Street,  
 North Usman Road, T.Nagar, Chennai - 600 017
- g. Shareholders who hold their securities in physical form and need to complete any transfer of holdings or endorsements may forward their securities to the Company's Registrar and Share Transfer Agents at the above address alongwith duly filled and stamped share transfer forms.
- h. Shareholders holding shares in physical format are requested to notify the Company's Registrar and Share Transfer Agents any change in their address immediately (with folio no reference) so as to enable the Company to send any future communication at their correct address. Those holding shares in demat format need to ensure that their correct address is reflected in their Depository Participant (DP) records and inform DP of any changes as and when relevant.
- i. Pursuant to Section 205C of the Companies Act, 1956, all unclaimed dividends upto and inclusive of the financial year 2007-08 (YE March 31, 2008) have been transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government.
- j. Shareholders who have not encashed any of their dividend warrants from the year 2008-09 onwards are requested to submit their claims to the Company Secretary at the Registered Office of the Company giving due details such as shareholder folio, /DP account no, and details for which year dividend is not received, and bank account details to be printed on the warrant.
- k. Nomination facility is now available for the shareholders. Members holding shares in physical format. may obtain nomination forms from the Registrar & Share Transfer Agent and send the nomination form back duly filled up and signed. Members holding shares in demat form may kindly send their nominations to their Depository Participant (DP) only in the format specified by their DP which will be for all their holdings in a client account.  
 Attendance slip and proxy form are enclosed.

**VOTING THROUGH ELECTRONICS MEANS**

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company is pleased to provide e-Voting facility for its members to enable them to cast their votes electronically. The company has availed the e-Voting services as provided by National Securities Depository

Limited (NSDL). The Company has appointed Mr. V.S.Sowrirajan, Practising Company Secretary as scrutinizer for conducting the e-Voting process in a fair and transparent manner. The instructions for e-Voting are detailed hereunder:

The voting right of shareholders shall be in proportion to their share in the paid up equity share capital of the Company as on the cut-off date being 21<sup>st</sup> September 2016. The instructions for Shareholders for e-Voting are as under:

- A) In case of Shareholders' receiving e-mail from NSDL( for members whose email IDs are registered with the Company/ Depository participants):
  - (i) Open e-mail and open PDF file viz; "California Software Company Limited e-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.
  - (ii) Launch internet browser by typing the following URL: **https://www.evoting.nsdl.com**
  - (iii) Click on "Shareholder - Login".
  - (iv) Insert user ID and password as initial password noted in step (i) above. Click Login.
  - (v) Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - (vi) Home page of e-Voting opens. Click on e-Voting: Active Evoting Cycles.
  - (vii) Select "EVEN" of California Software Company Limited.
  - (viii) Now you are ready for e-Voting as Cast Vote page opens.
  - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
  - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
  - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
  - (xii) For the votes to be considered valid, the institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority Letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail at **jitendrak@calsoftgroup.com** with a copy marked to **evoting@nsdl.co.in**.

- (B) In case a member receives physical copy of the Notice of AGM (For members whose email IDs are not registered with the Company / Depository Participant(s) or requesting physical copy)

- (i) Initial password is provided as below / at the bottom of attendance Form.

REVEN (Remote e-Voting Event Number)	USER ID	PASSWORD/PIN

- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

**(C) Other instructions**

- (i) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-Voting user manual for Shareholders available at the Downloads section of **www.evoting.nsdl.com**.

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- (ii) If you are already registered with NSDL for e-Voting then you can use your existing user ID and password for casting your vote.
- (iii) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- (iv) The e-Voting period commences on Sunday, the 25<sup>th</sup> September 2016 (10:00 am) and ends on Tuesday, the 27<sup>th</sup> September 2016 (5:00 pm). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 21<sup>st</sup> September 2016, may cast their vote electronically. The e-Voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it.
- (v) The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period / unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- (vi) The Results shall be declared on or after the Annual General Meeting of the Company and shall be deemed to be passed on the date of Annual General Meeting. The results along with the Scrutinizer's Report shall be placed on the website of the Company **www.calsoftgroup.com** within 2 days of passing of the resolutions at the Annual General Meeting of the Company and shall be communicated to BSE Limited and National Stock Exchange of India Limited.
6. All documents referred to in the accompanying Notice and the Explanatory Statements are open for inspection at the Registered Office of the Company between 10.00 A.M. and 1.00 P.M. on working days up to 28<sup>th</sup> September 2016.
7. The Notice together with the accompanying Explanatory Statement is and may be treated as an abstract of the terms of appointment / variation in terms of appointment and memorandum of interest of Directors under Section 190 of the Companies Act, 2013.

**EXPLANATORY STATEMENT UNDER SECTION 102 (2) OF THE COMPANIES ACT, 2013****Item No.4****Authority to borrow moneys**

The Company is in urgent need of additional funds to carry on business and it is necessary to borrow monies from diverse sources for various business activities / initiatives undertaken by the Company. The Board accordingly recommends the revised limit to the extent of ₹ 200 Crores (Rupees two hundred crores only) under 180(1)(c) of the Companies Act, 2013 as set out in the Resolution for approval of the Members.

The Board recommends the Special Resolution set forth in Item No. 4 of the Notice for approval of the Members.

None of the Directors or Key Managerial Personnel of the Company including their relatives are interested or concerned in the Resolution except to the extent of their shareholding, if any, in the Company.

**Item No.5****Service of Documents**

Section 20 of the Companies Act, 2013 provides that a member may request for delivery of any document through a particular mode on payment of such fees as may be fixed by the Annual General Meeting. Our company has also been receiving requests from members for sending documents through speed post / courier. Accordingly, there is a need to fix the fee for service of documents through special modes requested by members. The Board considered the matter in detail and recommended this resolution for fixing a fee of not exceeding ₹ 250/- for each delivery of documents. None of the Directors / Key Managerial Personnel are interested or concerned in this resolution.

**Item No.6****Appointment of Mr. Mahalingam Vasudevan as an Independent Director**

Mr. Mahalingam Vasudevan (DIN-01608150) was appointed as an Additional Director of the Company by the Board at its Meeting held on 12<sup>th</sup> August 2016. In terms of Section 161 of the Companies Act, 2013 he holds office till the date of the ensuing AGM and is eligible for re-appointment. Notice under Section 160 of the Companies Act, 2013, along with the requisite deposit has been received from a member signifying his intention to propose the candidature of Mr. Mahalingam Vasudevan as a Director of the Company.

In terms of Section 149 and other applicable provisions of the Companies Act, 2013, the resolution seeks the approval of the members for the appointment of Mr. Mahalingam Vasudevan as an Independent Director for a term of five consecutive years upto 11<sup>th</sup> August, 2021 and he shall not be liable to retire by rotation.

Mr. Mahalingam Vasudevan's appointment is subject to the approval of the members in the Annual General Meeting.

The Directors recommend the resolutions set out in Item No. 6 of the accompanying notice.

A brief profile of Mr. Mahalingam Vasudevan, the nature of his expertise, and the names of companies he holds directorships along with the details of membership / chairmanship on various committees of the Board of other companies, shareholding in the Company and relationship between the directors inter-se is annexed to this notice.

None of the Directors or Key Managerial Personnel of the Company or their relatives other than Mr. Mahalingam Vasudevan's is in any way concerned or interested in the resolution.



**ANNEXURE TO ITEMS 2 OF THE NOTICE**

Details of Directors seeking re-appointing at the forthcoming Annual General Meeting

<b>Name of the Director</b>	<b>Dr. P.J.GEORGE</b>	<b>MAHALINGAM VASUDEVAN</b>
Director Identification Number (DIN)	00334799	01608150
Date of Birth	01-07-1931	29-04-1967
Nationality	INDIAN	INDIAN
Date of Appointment on Board	29-12-1992	12-08-2016
Qualification	DOCTORATE IN MECHANICAL ENGINEERING	DR. FROM MGR UNIVERSITY
Shareholding in the Company	120000	NIL
List of Directorship held in other Companies (excluding foreign, private and Section 8 Companies)	NIL	NIL
Memberships / Chairmanships of Audit and Stakeholders Relationship Committees across Public Companies.	Member of Audit Committee of California Software Company Limited Chairman of Stakeholders Relationship Committees of California Software Company Limited	Chairman of Audit Committee, Member of Stakeholders Relationship Committee & Member of Nomination and Remuneration Committee of California Software Company Limited

By order of the Board

For **California Software Company Limited**Chennai  
12<sup>th</sup> August 2016**Jitendra Kumar Pal**  
Company Secretary

## DIRECTORS REPORT

Dear Shareholders,

Your Directors presenting their Report on the Business & Operations of your Company and its working results for the year 2015-16.

### 1. FINANCIAL RESULTS

All figures in ₹ Crores except for EPS

Details	Consolidated		Standalone	
	Year ended 31-Mar-16	Year ended 31-Mar-15	Year ended 31-Mar-16	Year ended 31-Mar-15
Total Revenues	3.68	3.69	3.68	3.63
Total Expenses	5.02	17.75	4.98	17.24
Profit before exceptional and extra-ordinary items and tax	(1.34)	(14.05)	(1.30)	(13.61)
Exceptional items	(0.16)	1.05	Nil	(1.49)
Profit before extraordinary items and tax	(1.17)	(15.10)	(1.30)	(12.12)
Profit before Tax	(1.17)	(15.10)	(1.30)	(12.12)
Current Tax	Nil	Nil	Nil	Nil
Deferred Tax	Nil	Nil	Nil	Nil
Loss for the year	(1.17)	(15.10)	(1.30)	(12.21)
paid up equity capital	12.36	12.36	12.36	12.36
Earning per share (EPS) for the year (Rs)				
i) Basic	(0.95)	(12.21)	(1.05)	(9.80)
ii) Diluted	(1.05)	(12.21)	(1.05)	(9.80)

\*Note: Previous year's figures have been reclassified wherever necessary to conform to current year classification.

### 2. DIVIDEND

The Company and the Group incurred a loss for the year and have accumulated negative reserves as at the year end. Hence, no dividend could be declared for the financial year.

### 3. BUSINESS UPDATE AND OUTLOOK

With the cessation of the company's businesses in 2011 which were incurring heavy losses; and now the disposal of RVC Towers, which was costing significantly more in interest than it was earning in rentals, the emergency surgery on the Company is complete. We are grateful to the Company's major shareholder for standing by the Company and consistently providing management and financial support in order to allow this process to take place in an orderly manner.

The Directors feel that the Company's listing has some value and aim to find a buyer prepared to accept the uncertain potential liabilities in the company, in order to have access to the company's listed status in a reverse takeover. However this is likely to take some time and meanwhile the company has very limited cash resources on which to survive, and no prospect of any income unless it can find a buyer. The company's major shareholder has indicated that it does not intend to inject further funds so there is considerable uncertainty as to whether this strategy can be executed in time.

### RESULTS OF OPERATIONS

#### I - Consolidated Results

During the year, your Company on a consolidated basis with all its subsidiaries earned total revenue of ₹ 3.68 Crores as against ₹ 3.69 Crores earned during the previous year. The profit before tax during the year is ₹ (1.17) Crores as against ₹ (15.10) Crores for the previous year.

After taking into account the tax provisions and adjustments for minority interest, prior period adjustments and extraordinary items if any, the loss for the year is ₹ (1.17) Crores as against a loss of ₹ (15.10) Crores of the previous year.

#### II - Standalone Results

During the year, your Company on a standalone basis earned total revenue of ₹ 3.68 Crores as against ₹ 3.63 Crores earned during the previous year. The profit before tax during the year is ₹ (1.30) Crores as against ₹ (12.12) Crores of the previous year.

After taking into account the tax provisions and adjustments, the loss for the year was ₹ (1.30) Crores as against a loss of ₹ (12.12) Crores for the previous year.

#### 4. REVIEW OF SUBSIDIARIES

##### 1 - Aspire Communications Private Ltd

The Consolidated results of Aspire including its wholly owned Subsidiary Aspire Peripherals Limited have been taken into Company's Consolidated results for the full year.

Aspire on a consolidated basis has reported revenues of ₹ 6244/- with profit of ₹ 12,83,604/- against the consolidated reported revenues of ₹ 27806 with a loss of ₹ 2.71 Crore of the previous year.

The Company and its subsidiary are in the process of liquidation.

#### 5. CONSOLIDATED RESULTS PUBLICATION

As per Section 129 of the Companies Act, 2013, a copy of the Balance Sheet, Profit and Loss Account, Report of the Board of Directors and the Report of the Auditors of the above subsidiary companies have not been attached with the Balance Sheet of the Company. The Company will make available these documents upon request in writing to the Company Secretary at the Registered Office of the Company by any member of the Company interested in obtaining the same.

However, as required under the Listing Agreements with the Stock Exchanges, the Consolidated Financial Statements of the Company and all its Subsidiaries as prepared in accordance with Indian GAAP is enclosed and form part of the Annual Report and Accounts.

#### 6. DIRECTORS

Mr. Fredrick Ivor Bendle was appointed as Managing Director and Chief Executive Officer of the Company for a period of two years with effect from 13<sup>th</sup> November 2015. Requisite Resolution was passed at the Extra-Ordinary General Meeting held on 25<sup>th</sup> May 2016.

Mr. Bhavesh Rameshlal Chauhan resigned as Managing Director and Chief Executive Officer with effect from 13<sup>th</sup> November 2015. The Board appreciates the contributions made by him during his tenure of office.

Mr. Vasudevan Mahalingam has been appointed as additional director with effect from 12<sup>th</sup> August 2016.

The Company has received notice under Section 160 of the Companies Act, 2013 from a member proposing Mr. Vasudevan Mahalingam for appointment to the office of Director.

#### 7. AUDIT RELATED MATTERS

##### 7.1. Audit Committee

In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 of and the provision of Section 177(8) read with Rule 6 of the Companies (Meeting of Board and its Powers) Rules 2014 the company has duly constituted a qualified and independent Audit Committee. The Audit Committee of the Board consisting of three "Non-Executive & Independent Directors" as members having adequate financial and accounting knowledge. The composition, procedures, powers and role/functions of the audit committee and its terms of reference are set out in the corporate governance report forming part of the Board's report.

During the period under review, the suggestions put forth by the Audit Committee were duly considered and accepted by the Board of Directors. There were no instances of non-acceptance of such recommendations.

#### 7.2. Statutory Auditors

M/s.Tomy & Francis, Chartered Accountants (Firm Registration Number 010922S) who were reappointed as the Statutory Auditors of the Company at the last Annual General Meeting held on 27<sup>th</sup> November 2014 resigned. At the Extraordinary General Meeting held on 25<sup>th</sup> May 2016, M/s. N.Balasubramanian Associates, Chartered Accountants, Chennai (Firm Regn. No. 0355S) were appointed as Statutory Auditors to audit the accounts for the financial year 2015-16 and to hold office until the conclusion of this Annual General Meeting.

In this regard, the Company has received a certificate from the auditors to the effect that if they are reappointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013. The Audit committee and the Board of Directors recommend the appointment of M/s. N.Balasubramanian Associates, Chartered Accountants, Chennai as Auditors to hold office up to the conclusion of the 29<sup>th</sup> Annual General Meeting to be held in the year 2021.

Resolution for appointment of M/s. N.Balasubramanian Associates, Chennai as Statutory Auditor for a period of 5 years is included in the Agenda of the Annual General Meeting.

#### 7.3. Qualifications in Auditors Report

*With reference to auditor's remark in audit report, we state as follows:-*

1. Note 26 and 27 in the stand alone financial statements which indicate that the Standalone Company has accumulated losses and its net worth has been fully eroded, the Standalone Company has incurred a net loss during the current and previous year(s) and, the Stand alone Company's current liabilities exceeded its current assets as at the balance sheet date. These conditions, along with other matters set forth in Note 26, indicate the existence of a material uncertainty that may cast significant doubt about the Stand alone Company's ability to continue as a going concern.

Our Company is looking for new business opportunities and hence the Company has the potentials and ability to continue as a going concern.

2. Note No. 30 to the stand alone financial statement regarding write back of Account Payables to CSWL Inc wholly owned subsidiaries of the Standalone Company amounting to ₹ 42,36,79,402/- and the equity shares of the said company amounting to ₹ 30,72,02,843/- due to the winding up of the Company during the year. These are all intercompany transaction and in the opinion of management are not prejudicial to the interest of the Company and at consolidated level they get eliminated.

3. Note no. 31 to the standalone financial statement regarding unsecured loans from Associate companies amounting to ₹ 36,96,79,876/-

These are all intercompany transaction and in the opinion of management are not prejudicial to the interest

of the Company and at consolidated level they get eliminated

4. Company's Indian subsidiary Aspire Communications P Ltd and its subsidiary Aspire peripherals P Ltd have stopped their operations fully.

These are all intercompany transactions and in the opinion of management are not prejudicial to the interest of the Company and at consolidated level they get eliminated.

#### 7.4. Secretarial Audit

M/s.V.S.Sowrirajan & Associates, Company Secretaries-in-Practice were appointed as Secretarial Auditor for the financial year 2015-16. The Secretarial Audit Report in Form No.MR.3 issued by the Secretarial Auditor forms part of the Annual Report as **Annexure 1** to the Board's report.

The Secretarial Auditor has qualified the report with respect to non-compliance of filing forms with Registrar. The Board is taking steps to comply with the requirements which have arisen due to technical difficulties / inadvertence.

There are no qualifications or adverse remarks in the Secretarial Audit Report which require any explanation from the Board of Directors.

#### 7.5. Cost Audit

The company is not required to conduct cost audit.

#### 7.6. Internal Financial Controls

There are adequate internal financial controls in place with reference to the financial statements. During the year under review, these controls were evaluated and no significant weakness was identified either in the design or operation of the controls.

### 8. POLICY MATTERS

#### 8.1. Nomination and Remuneration Policy

Our Company has constituted a Nomination, Remuneration and Governance Committee of the Board of Directors and formulated a Nomination and Remuneration Policy containing the criteria for determining qualifications, positive attributes and independence of a director and policy relating to the remuneration for the directors, key managerial personnel and senior management personnel of the Company. The Nomination and Remuneration Policy is available on the website of the Company [www.calsoftgroup.com](http://www.calsoftgroup.com) and relevant extracts from the Policy are reproduced in **Annexure 2** to this report.

The Board affirms that the remuneration paid during financial year 2015-16 to the Employees and Key Managerial Personnel was as per the Remuneration policy of the Company.

#### 8.2. Risk Management Framework

Pursuant to section 134 (3) (n) of the Companies Act, 2013 & in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Board of Directors of the Company have constituted a Risk Management Committee which is entrusted with the task of monitoring and reviewing the risk management plan and procedures of the Company. The Company has developed and implemented a risk management framework detailing the various risks faced by the Company and methods and procedures for identification, monitoring and mitigation of such risks. The details of the committee and its terms of

reference are set out in the corporate governance report forming part of the Board's report. The risk management function is complimentary to the internal control mechanism of the Company and supplements the audit function. At present the company has not identified any element of risk which may threaten the existence of the company.

#### 8.3. Corporate Social Responsibility Policy

The provisions of Section 135 of the Companies Act, 2013 and the rules made there under relating to Corporate Social Responsibility are not applicable to the Company.

#### 8.4. Vigil Mechanism

In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and the provision of Section 177(9) read with Rule of the Companies (Meeting of Board and its Powers) Rules 2014 the company has duly established a vigil mechanism for stakeholders, directors and employees to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy. The Audit Committee of the Company oversees the vigil mechanism. The company affirms that no personnel has been denied direct access to the Chairman of the Audit Committee.

The Policy also provides for adequate protection to the whistle blower against victimization or discriminatory practices. The Policy is available on the website of the Company at <http://www.calsoftgroup.com>.

### 9. OTHER MATTERS

#### 9.1. Debentures

During the year under review, the Company has not issued any debentures. As on date, the Company does not have any outstanding debentures.

#### 9.2. Bonus Shares

The Company has not issued any bonus shares during the financial year.

#### 9.3. Deposits

The Company has not accepted any deposits in terms of Chapter V of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014, during the year under review and as such, no amount on account of principal or interest on public deposits was outstanding as of the balance sheet date.

#### 9.4. Transfer to Investor Education and Protection Fund

In compliance of Section 125 of the Companies Act, 2013, the dividends pertaining to the financial year 2007-2008 which were lying unclaimed with the Company were transferred to the Investor Education and Protection Fund during the financial year 2015-16.

#### 9.5. Human Resources

The Company has only one Employee.

Disclosure containing the names and other particulars of employees in accordance with the Provisions of Section 197(12) of the Companies Act, 2013, read with Rule 5(1)

of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is not applicable since the company has only one employee and none of the directors are drawing any remuneration from the company.

No employees of the company drawing remuneration in excess of the limit specified under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

#### 9.6. Corporate Governance

A detailed report on Corporate Governance and a certificate from the Statutory Auditors affirming compliance with the various conditions of Corporate Governance as stipulated under In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 forms part of the Annual Report.

#### 9.7. Code of Conduct

In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and Companies Act, 2013 the Company has laid down a Code of Conduct (Code) for all the Board Members and Senior Management Personnel of the Company. The Code is also posted on the Website of the Company [www.calsoftgroup.com](http://www.calsoftgroup.com). All Board Members and Senior Management Personnel have affirmed their compliance with the Code for the financial year ended 31<sup>st</sup> March, 2016. A declaration to this effect signed by Mr. Fredrick Ivor Bendle, Managing Director forms part of the Corporate Governance Report.

#### 9.8. Management Discussion and Analysis Report

In accordance with the requirements of the Listing Agreement, the Management Discussion and Analysis Report titled as Management Report forms part of this Report.

#### 9.9. Extract of Annual Return

In terms of Section 134 of the Companies Act, 2013 read with Rules 12(1) of the Companies (Management and Administration) Rules, 2014, the extract of the Annual Return of the Company for the financial year 2015-16 is provided in **Annexure 3** to this report.

#### 9.10. Number of Board Meetings

During the year, Five (5) Board Meetings were held and details are available in the Corporate Governance Report. The intervening gap between two board meetings was within the period prescribed by the Companies Act, 2013.

#### 9.11. Particulars of Loans, Guarantees and Investments

In terms of Section 134 of the Companies Act, 2013, the particulars of loans, guarantees and investments given by the Company under Section 186 of the Companies Act, 2013 is detailed in Notes to Accounts of the Financial Statements.

#### 9.12. Related Party Transactions

During the year, the Company has not entered into any contract / arrangement / transaction with a related party which can be considered as material in terms of the policy on related party transactions laid down by the Board of

Directors. The related party transactions undertaken during the financial year 2015-16 are detailed in Notes to Accounts of the Financial Statements.

Particulars of contracts or arrangements with related parties referred to in section 188(1) of the Companies Act, 2013 in form AOC-2 is appended as **Annexure 4** to the Board's Report.

#### 9.13. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Since the company is in the Information Technology Enabled Services (ITES), the provisions relating to conservation of energy and technology absorption are not applicable. Details of earnings and expenditure in foreign currency are given below:

	(₹ in Crores)	
	2015-16	2014-15
Foreign Exchange Earnings	Nil	0.56
Foreign Exchange Outgo (including Capital Goods and Imported Software Packages)	Nil	0.70

#### 9.14. Declaration by Independent Directors

The Company has received necessary declaration from each independent director under Section 149 (7) of the Companies Act, 2013 that he/she holds the criteria of independence laid down in Section 149 (6) of the Companies Act, 2013 and in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

#### 9.15. Board Evaluation

As required by the Companies Act, 2013 and in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company has devised a Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors which includes criteria for performance evaluation of the non-executive directors and executive directors.

On the basis of Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors, a process of evaluation was followed by the Board for its own performance and that of its Committees and individual Directors.

#### 9.16. Financial Position and Performance of Subsidiaries, Joint Ventures and Associates

In terms of Section 134 of the Companies Act, 2013 and Rule 8(1) of the Companies (Accounts) Rules, 2014, the financial position and performance of subsidiaries are given as an **Annexure 5** to the Consolidated Financial Statements.

As on 31<sup>st</sup> March 2016, the company has only one subsidiary company namely Aspire Communications Private Limited. There has been no material change in the nature of the business of the subsidiaries. The consolidated financial statement has been prepared in accordance with

the relevant accounting standards and a separate statement containing the salient features of the financial statement of its subsidiaries and associate in form AOC-1 is attached along with the financial statement of the company.

**9.17. Material Changes and Commitments, if any, affecting the Financial Position between the end of the Financial Year and the date of Report:**

There is no such transaction which affects the financial for the year ending and the date of the report.

**9.18. Green initiatives**

Electronic copies of the Annual Report 2015-16 and Notice of the Twenty Fourth Annual General Meeting are sent to all members whose email addresses are registered with the Company / Depository Participant(s). For members who have not registered their email addresses, physical copies of the Annual Report 2016 and the Notice of the 24<sup>th</sup> Annual General Meeting are sent in the permitted mode. Members requiring physical copies can send a request to the Company.

**9.19. Additional Information to Shareholders**

All important and pertinent investor information such as financial results, investor presentations, press releases, new launches and project updates are made available on the Company's website ([www.calsoftgroup.com](http://www.calsoftgroup.com)) on a regular basis.

**10 DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, your Company complied with the compliance requirements and the details of compliances under Companies Act, 2013 are enumerated below:

Your Directors confirm the following that:

- (i) In preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

- (ii) The directors had selected such accounting policies and applied them consistently and made judgments 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;
- (iii) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) The directors had prepared the annual accounts on a going concern basis.
- (v) Proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- (vi) Proper systems were in place so as to ensure compliance with the provisions of all applicable laws and were adequate and operating effectively.

**11 Key Managerial Personnel**

The Key Managerial Personnel of the Company are:

- a. Mr. Frederick Ivor Bendle - Managing Director
- b. Mr. Jitendra Kumar Pal - Company Secretary

**ACKNOWLEDGEMENT**

Your Directors take this opportunity to thank the customers, shareholders, suppliers, bankers, business partners / associates and Government and regulatory authorities in India and other countries of operation for their consistent support and encouragement to the Company and look forward to their continued support during the coming years. Your Directors place on record their appreciation for the valuable contribution made by the employees at all levels.

For and on behalf of the Board of Directors

Chennai  
12<sup>th</sup> August, 2016

**Fredrick Ivor Bendle**  
Managing Director & CEO

**Dr. P J George**  
Director

## MR - 3

**SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016**

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

To:

The Members  
California Software Company Limited  
149, Velachery Tambaram Main Road  
Pallikaranai, Chennai-600100

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **California Software Company Limited** (hereinafter called the Company). Secretarial 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, minute 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 audit period covering the financial year ended on 31 March 2016 ('Audit Period') 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 hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March 2016 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
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (No actions / events requiring compliance pursuant to this Regulations).
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992.
  - (c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 {applicable with effect from 1<sup>st</sup> December 2015} .
  - (d) Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28 October 2014; (No actions / events requiring compliance pursuant to this Regulations).
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (No actions / events requiring compliance pursuant to this Regulations).
  - (f) 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).
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (No actions/events requiring compliance pursuant to this Regulation).
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, No actions/events requiring compliance pursuant to this Regulation.
  - (i) Other laws applicable to the Company ( as per the information made available, the following laws are specifically applicable to the company).
    - Information Technology Act, 2000 and the Rules made thereunder
    - Copyrights Act,
    - The Patents Act, 1970
    - Trade Marks Act, 1999

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 Listing Agreements entered into by the Company with Stock Exchanges.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the matters specified in Annexure I to this Report.

We further report that

Based on the information provided to me during the conduct of audit and based on the reports submitted by the Board / Committees from time to time, in our opinion adequate systems, processes and control measures exist in the Company to monitor and ensure compliance with the applicable general laws like labour laws, competition laws and environmental laws.

Compliance by the company of applicable financial laws like direct and indirect laws, has not been reviewed in this Audit since the same is subject to review statutory financial audit and other designated professionals..

Adequate systems and processes in the company, commensurate with the size of the company and nature of operations to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines.

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act *subject to the matters specified in Annexure I to this Report.*

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent 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 for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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.

V.S.SOWRIRAJAN

Place : Chennai  
Date : 12<sup>th</sup> August, 2016

Company Secretary  
FCS 2368/CP6482

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.



## LIST OF FORMS YET TO BE FILED AND COMPLAINE DEFICIENCIES

Sl. No.	Subject Matter	Date of Event	Form yet to be filed	Remarks
1	Filing of Return reg: Special Resolutions passed through Postal Ballot	15 <sup>th</sup> November 2014	Form No. MGT.14	Yet to be filed. The Company has filed an application with the Central Government for condonation of delay and the application is yet to be approved. On getting Condonation of Delay, the form will be filed.
2	Appointment of Independent Directors held at the Annual General Meeting and Regularisation of Appointment of Additional Director	27 <sup>th</sup> November 2014	Form No. DIR.12	Filed vide SRN-C73111940 dated 18 <sup>th</sup> December 2015
3	Return of Appointment of Key Managerial Personnel	15 <sup>th</sup> November 2014	Form No.DIR.12 and Form No.MR.1	Yet to be filed
4	Appointment of Managing Director	8 <sup>th</sup> August 2014	Form No.MR. 2 - Application to Central Government for approval of appointment Form No.MGT.14- Filing of Resolution for appointment of Managing Director	Yet to be filed
5	Filing of Annual Accounts with RoC in Form AOC.4 (XBRL) for the Financial Year 2014-15	19 <sup>th</sup> August 2015	Form AOC.4 (XBRL)	Yet to be filed
6	Filing of Annual Return with RoC as on 31 <sup>st</sup> March 2015	19 <sup>th</sup> August 2015	Form MGT.7	Filed vide SRN-G00889436 dated 13 <sup>th</sup> April 2016
7	Filing of Report on Annual General Meeting	19 <sup>th</sup> August 2015	Form MGT.15	Yet to be filed
8	Return of Changes in shareholding pattern of promoters and top ten shareholders	Various Dates	Form MGT,10	Yet to be filed. Non-compliance in respect of filing of form within 15 days of change,
9	Publication of Unaudited Financial Results	Quarterly Results for all four quarters of the Financial Year 2015-16	-	Not Published. Intimations to Stock Exchanges have been duly given and the results are posted on the website.

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**ANNEXURE - A**

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To:

The Members  
California Software Company Limited  
149, Velachery Tambaram Main Road  
Pallikaranai, Chennai-600100

Our report of even date is to be read alongwith 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 contents 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 not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the 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 the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

V.S.SOWRIRAJAN

Place : Chennai  
Date : 12<sup>th</sup> August, 2016

Company Secretary  
FCS 2368/  
CP6482



Realize Your Ideas

## CALIFORNIA SOFTWARE COMPANY LIMITED

CIN - L72300TN1992PLC022135

**1. POLICY ON BOARD DIVERSITY****Purpose of this Policy:**

This Policy on Board Diversity (the "Policy") sets out the Company's approach to ensuring adequate diversity in its Board of Directors (the "Board") and is devised in consultation with the Nomination and Remuneration Committee (the "Committee") of the Board.

**2. Scope of Application:**

The Policy applies to the Board of California Software Company Limited (the "Company").

**3. Policy Statement:**

The Company recognises and embraces the benefits of having a diverse Board of Directors and sees increasing diversity at Board level as an essential element in maintaining a competitive advantage in the complex business that it operates. It is recognised that a Board composed of appropriately qualified people with broad range of experience relevant to the business of the Company is important to achieve effective corporate governance and sustained commercial success of the Company. A truly diverse Board will include and make good use of differences in the skills, regional and industry experience, background, race, gender and other distinctions amongst Directors. These differences will be considered in determining the optimum composition of the Board and when possible should be balanced appropriately. At a minimum, the Board of the Company shall consist of at least one woman Director. All Board appointments are made on merit, in the context of the skills, experience, independence, knowledge and integrity which the Board as a whole requires to be effective.

**4. Review of the Policy:**

The Board and the Committee will review this Policy on a regular basis to ensure its effectiveness and also compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and applicable provisions of the Companies Act, 2013 and rules made thereunder.

**REMUNERATION POLICY****1. Purpose of this Policy:**

California Software Limited (the "Company") has adopted this Policy on appointment and remuneration of the Directors, Key Managerial Personnel and Senior Management (the "Policy") as required by the provisions of Section 178 of the Companies Act, 2013 (the "Act") and applicable rules thereto and Regulation 19 of SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015

The purpose of this Policy is to establish and govern the procedure applicable:

- a) To evaluate the performance of the members of the Board.
- b) To ensure remuneration to Directors, KMP and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
- c) To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

The Committee should ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully and the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

**2. Definitions:**

Independent Director means a director referred to in Section 149(6) of the Act.

Key Managerial Personnel (the "KMP") shall mean "Key Managerial Personnel" as defined in Section 2(51) of the Act.

Nomination and Remuneration Committee, by whatever name called, shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Act.

Remuneration means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.

Senior Management means personnel of the Company who are members of its core management team excluding Board of Directors. This would include all members of management one level below the Executive Directors, including all functional heads.

Words and expressions used and not defined in this Policy, but defined in the Act or any rules framed under the Act or the Securities and Exchange Board of India Act, 1992 and Rules and Regulations framed thereunder or the Accounting Standards shall have the meanings assigned to them in these regulations.

**3. Composition of the Committee:**

The composition of the Committee is / shall be in compliance with the Act, Rules made thereunder and the Rule made under SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

**4. Role of the Committee:**

The Committee shall:

- a) Formulate the criteria for determining qualifications, positive attributes and independence of a Director;
- b) Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this Policy;
- c) Lay down the evaluation criteria for performance evaluation of Independent Director and the Board;
- d) Recommend to the Board, appointment, remuneration and removal of Director, KMP and Senior Management;
- e) To devise a Policy on Board diversity.

**5. Appointment and removal of Director, KMP and Senior Management:****5.1 Appointment criteria and qualification:**

The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director in terms of Diversity Policy of the Board and recommend to the Board his / her appointment.

For the appointment of KMP (other than Managing / Whole time Director) or Senior Management, a person should possess adequate qualification, expertise and experience for the position he / she is considered for the appointment. Further, for administrative convenience, the appointment of KMP (other than Managing / Whole time Director) or Senior Management, the Managing Director is authorised to identify and appoint a suitable person for such position. However, if the need be, the Managing Director may consult the Committee / Board for further directions / guidance.

**5.2 Term:**

The Term of the Directors including Managing / Whole time Director / Independent Director shall be governed as per the provisions of the Act and Rules made there under and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended from time to time.

Whereas the term of the KMP (other than the Managing / Whole time Director) and Senior

Management shall be governed by the prevailing HR policies of the Company.

**Evaluation:**

The Committee shall carry out evaluation of performance of every Director. The Committee shall identify evaluation criteria which will evaluate Directors based on knowledge to perform the role, time and level of participation, performance of duties, level of oversight, professional conduct and independence. The appointment / re-appointment / continuation of Directors on the Board shall be subject to the outcome of the yearly evaluation process. Framework for performance evaluation of Independent Directors and the Board is as per Annexure A to this Policy.

**5.4 Removal:**

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, Rules and Regulations there under and / or for any disciplinary reasons and subject to such applicable Acts, Rules and Regulations and the Company's prevailing HR policies, the Committee may recommend, to the Board, with reasons recorded in writing, removal of a Director, KMP or Senior Management.

**6. Remuneration of Managing / Whole-time Director, KMP and Senior Management:**

The remuneration / compensation / commission, etc., as the case may be, to the Managing / Whole time Director will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission, etc., as the case may be, shall be subject to the prior / post approval of the shareholders of the Company and Central Government, wherever required and shall be in accordance with the provisions of the Act and Rules made there under. Further, the Managing Director of the Company is authorised to decide the remuneration of KMP (other than Managing / Whole time Director) and Senior Management, and which shall be decided by the Managing Director based on the standard market practice and prevailing HR policies of the Company.

**7. Remuneration to Non-executive / Independent Director:**

The remuneration / commission / sitting fees, as the case may be, to the Non-Executive / Independent Director, shall be in accordance with the provisions of the Act and the Rules made there under for the time being in force or as may be decided by the Committee / Board / shareholders. An Independent Director shall not be entitled to any stock option of the Company unless otherwise permitted in terms of the Act and the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, as amended from time to time.

**Annexure A****Framework for performance evaluation of Board of its own performance and that of its committees and individual directors pursuant to rule 8(4) of the Companies (Accounts) Rules, 2014**

As per the provisions of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 the Nomination and Remuneration Committee (the "Committee") shall lay down the evaluation criteria for performance evaluation of Independent Directors, non-independent directors and the Board as a whole and Chairperson of the company. Further, in terms of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Board is required to monitor and review Board Evaluation Framework. This Framework shall contain the details of Board's self-evaluation framework (including all Committees of the Board and individual directors). The Board is committed to assessing its own performance as a Board in order to identify its strengths and areas in which it may improve its functioning. To that end, the Committee shall establish the following processes for evaluation of performance of Independent Director and the Board:

1. Once in a year, the Board will conduct a self-evaluation. It is the responsibility of the Chairman of the Board, supported

- by the Company Secretary of the Company, to organise the evaluation process and act on its outcome;
2. The Committee shall formulate evaluation criteria for the Board and the Independent Directors which shall be broadly based on:
  3. Knowledge to perform the role;
  4. Time and level of participation;
  5. Performance of duties and level of oversight; and
  6. Professional conduct and independence.
7. The Board / Independent Directors shall be asked to complete the evaluation forms and submit the same to the Chairman.
8. In terms of Section 134 of the Act, the Directors' Report should include a statement indicating a manner in which the Board has done formal annual evaluation of its own performance, performance of Committees and individual Directors of the Company.

**Annexure B****Framework for Separate Meeting of Independent Directors**

As required by the provisions of Schedule IV to the Act and in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Independent Directors of the Company shall hold at least one meeting in a year, without the attendance of Non-independent Directors and members of the management.

The meeting shall:

1. Review the performance of Non-independent Directors and the Board as a whole;

2. Review the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-executive Directors;
3. Assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.
4. This meeting could be held prior or after the Board Meeting. The Independent Directors are free to call such meeting at any point of time, as desired.

**Annexure C****Familiarisation Programme for Independent Directors**

As required by the provisions of Schedule IV to the Act and in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company is required to develop a Familiarisation Programme for the Independent Directors of the Company.

The Company will impart Familiarisation Programmes for new Independent Directors inducted on the Board of the Company.

The Familiarisation Programme of the Company will provide information relating to the Company, industry and the environment in which Company operates, challenges etc. The

programme also intends to improve awareness of the Independent Directors on their roles, rights, responsibilities towards the Company. Further, the Familiarisation Programme should also provide information relating to the financial performance of the Company and budget and control process of the Company. The Managing Director or such other authorised officer(s) of the Company shall lead the Familiarisation Programme on aspects relating to business / industry. The Chief Financial Officer or such other authorised officer(s) of the Company may participate in the programme for providing inputs on financial performance of the Company and budget, control process, etc.

## ANNEXURE TO DIRECTORS' REPORT

## ANNEXURE - III

## Form No. MGT - 9

## EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2016

[Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12 (1) of the Companies (Management and Administration) Rules, 2014]

<b>I. REGISTRATION AND OTHER DETAILS</b>	
i) CIN	L72300TN1992PLC022135
ii) Registration Date	06/02/1992
iii) Name of the Company	CALIFORNIA SOFTWARE COMPANY LIMITED
iv) Category / Sub-Category of the Company	Public Limited Company
v) Address of the Registered office and contact details	Robert V Chandran Tower, 7 <sup>th</sup> Floor, No.149, Velachery Tambaram Main Road, Pallikaranai, Chennai-600010 Telephone Nos. +91- 44-42829000 Fax No. +91-44-42829012 Email for shareholders: investor@calsoftgroup.com Website: www.calsoftgroup.com
vi) Whether listed company	Yes
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s.Integrated Enterprises (India) Limited, 2 <sup>nd</sup> Floor, Kencees Towers, 1,Ramakrishna Street, North Usman Road, T. Nagar, Chennai-600017 Phone:044-2814 0801-03, Fax: 044- 2814 2479 email: yuvraj@integratedindia.in
<b>II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY</b>	
All the business activities contributing 10% or more of the total turnover of the Company	Information Technology Enabled Services Rental Income - 100%
<b>III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES</b>	
	Holding Company - Kemoil Limited, Singapore Subsidiary Company: 1. Aspire Communications Private Limited
<b>IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAK UP AS PERCENTAGE OF TOTAL EQUITY)</b>	
i) Category-wise Share Holding	As per Annexure - A
ii) Shareholding of Promoters	As per Annexure - B
iii) Change in Promoters' Shareholding	As per Annexure - C
iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)	As per Annexure - D
v) Shareholding of Directors and Key Managerial Personnel	As per Annexure - E
<b>V. INDEBTEDNESS</b>	
Indebtedness of the Company including interest outstanding / accrued but not due for payment.	As per Annexure - F
<b>VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL</b>	
A. Remuneration to Managing Director, Whole-time Directors and / or Manager	NIL
B. Remuneration to other directors	NIL
C. Remuneration to Key Managerial Personnel other than MD / MANAGEMENT / WD	Rs. 1,161,559/-
<b>VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES - NIL</b>	

## i) Category-wise Shareholding Pattern

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	%of total shares	Demat	Physical	Total	%of total shares	
<b>A. Promoters</b>									
1. Indian									
a. Individual/ HUF	-	-	-	-	-	-	-	-	-
b. Central Govt.	-	-	-	-	-	-	-	-	-
c. StateGovt(s)	-	-	-	-	-	-	-	-	-
d. Bodies Corporate	-	-	-	-	-	-	-	-	-
e. Banks / FI	-	-	-	-	-	-	-	-	-
f. Any Other due	-	-	-	-	-	-	-	-	-
<b>Sub-Total (A)(1):</b>	-	-	-	-	-	-	-	-	-
2. Foreign									
a. NRIs- Individuals	-	-	-	-	-	-	-	-	-
b. Other- Individuals	-	-	-	-	-	-	-	-	-
c. Bodies Corporate	8743911	-	8743911	70.71	8743911	-	8743911	70.71	-
d. Banks / FI	-	-	-	-	-	-	-	-	-
e. Any Other due	-	-	-	-	-	-	-	-	-
<b>Sub-Total(A)(2):</b>	8743911	-	8743911	70.71	8743911	-	8743911	70.71	-
<b>Total Shareholding of Promoters(A) = (A)(1) + (A)(2)</b>	<b>8743911</b>	<b>-</b>	<b>8743911</b>	<b>70.71</b>	<b>8743911</b>	<b>-</b>	<b>8743911</b>	<b>70.71</b>	<b>-</b>
<b>B. Public Shareholding</b>									
1. Institutions									
a. Mutual Funds / UTI	-	300	300	-	-	300	300	-	-
b. Banks / FI									
c. Central Govt.									
d. State Govt. (s)									
e. Venture Capital Funds									
f. Insurance Companies									
g. FIs									
h. Foreign Venture Capital Funds									
i. Others (Specify)									
<b>Sub-Total (B)(1):</b>	<b>-</b>	<b>300</b>	<b>300</b>	<b>-</b>	<b>-</b>	<b>300</b>	<b>300</b>	<b>-</b>	<b>-</b>
2. Non-Institutions									
a. Bodies Corporate									
i) Indian	570145	100	570245	4.61	553964	100	554064	4.48	(0.13)
ii) Overseas									
b. Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakh	1248967	100049	1349016	10.91	1277408	98549	1375957	11.13	0.22
ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	1646841	19931	1666772	13.48	1664856	19931	1684787	13.63	0.15
c. Others (specify)									
Clearing Member	751	0	751	0.01	220	0	220	0.00	(0.00)
Corporate CM / TM - Client Margin A/c.	24580	0	24580	0.20	4194	0	4194	0.03	(0.16)
Corporate CM / TM - Client Beneficiary A/c.	9331	0	9331	0.08	703	0	703	0.01	(0.07)
Individual - Margin Trading Account	0	0	0	0.00	770	0	770	0.01	0.01
Trusts	100	0	100	0.00	100	0	100	0.00	0.00
<b>Sub-Total (B)(2)</b>	<b>3500715</b>	<b>120080</b>	<b>3620795</b>	<b>29.28</b>	<b>3502215</b>	<b>118580</b>	<b>3620795</b>	<b>29.28</b>	<b>0.00</b>
<b>Total Public Share Holding (B)=B(1)+B(2)</b>	<b>3500715</b>	<b>120380</b>	<b>3621095</b>	<b>29.29</b>	<b>3502215</b>	<b>118880</b>	<b>3621095</b>	<b>29.29</b>	<b>0.00</b>
<b>TOTAL (A)+(B)</b>	<b>12244626</b>	<b>120380</b>	<b>12365006</b>	<b>100.00</b>	<b>12246126</b>	<b>118880</b>	<b>12365006</b>	<b>100.00</b>	<b>0.00</b>
C Shares held by Custodians and against which Depository Receipts have been issued									
<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>12244626</b>	<b>120380</b>	<b>12365006</b>	<b>100.00</b>	<b>12246126</b>	<b>118880</b>	<b>12365006</b>	<b>100.00</b>	<b>0.00</b>

**ii) Shareholding of Promoters**

Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
	No. of Share	% of total share of the Company	% of Shares Pledged / encumbered to total shares	No. of Share	% of total share of the Company	% of Shares Pledged / encumbered to total shares	
Kemoil Limited, Singapore PAN :AADCK1162H	8743911	70.71	0.00	8743911	70.71	0.00	0.00
TOTAL NO.OF SHARES	8743911	70.71	NIL	8743911	70.71	NIL	NIL

**iii) Change in Promoters' Shareholding (please specify, if there is no change)**

Annexure - C

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the beginning of the year				
NIL	NIL	NIL	NIL	NIL

Annexure - D

**iv) Shareholding Pattern of Top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)**

S. No.	Name	Opening Balance		Increase / Decrease		Closing Balance	
		Shares	%	Shares	%	Shares	%
1	Chemoil Advanced Management Services Pvt Ltd						
	Opening Balance as on 01/04/2015	449178	3.633				
	Closing Balance as on 31/03/2016					449178	3.633
2	Santhosh S						
	Opening Balance as on 01/04/2015	336743	2.723				
	Closing Balance as on 31/03/2016					336743	2.723
3	Jayasree S						
	Opening Balance as on 01/04/2015	175163	1.417				
	Closing Balance as on 31/03/2016					175163	1.417
4	Nandini J Nathani						
	Opening Balance as on 01/04/2015	164800	1.333				
	Closing Balance as on 31/03/2016					164800	1.333
5	Adil Nathani						
	Opening Balance as on 01/04/2015	163400	1.321				
	Closing Balance as on 31/03/2016					163400	1.321
6	Ravindra Krishnappa						
	Opening Balance as on 01/04/2015	126867	1.026				
	Closing Balance as on 31/03/2016					126867	1.026
7	George P J						
	Opening Balance as on 01/04/2015	120000	0.970				
	Closing Balance as on 31/03/2016					120000	0.970
8	George Francis						
	Opening Balance as on 01/04/2015	56310	0.455				
	Closing Balance as on 31/03/2016					56310	0.455
9	Mita Dipak Shah						
	Opening Balance as on 01/04/2015	50000	0.404				
	14/08/2015			3840	0.031	53840	0.435
	15/01/2016			-9069	-0.073	44771	0.362
	Closing Balance as on 31/03/2016					44771	0.362



## Annexure - D

**iv) Shareholding Pattern of Top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)  
(Contd.)**

S. No.	Name	Opening Balance		Increase / Decrease		Closing Balance	
		Shares	%	Shares	%	Shares	%
10	Neeraj Aggarwal						
	Opening Balance as on 01/04/2015	50000	0.404				
	09/10/2015			-10009	-0.081	39991	0.323
	16/10/2015			-4000	-0.032	35991	0.291
	23/10/2015			-5000	-0.040	30991	0.251
	06/11/2015			-3972	-0.032	27019	0.219
	31/12/2015			-2400	-0.019	24619	0.199
	08/01/2016			-1900	-0.015	22719	0.184
	Closing Balance as on 31/03/2016					22719	0.184
11	Pace Stock Broking Services Pvt Ltd						
	Opening Balance as on 01/04/2015	48468	0.392				
	07/08/2015			-100	-0.001	48368	0.391
	31/12/2015			-1	0.000	48367	0.391
	19/02/2016			10843	0.088	59210	0.479
	26/02/2016			-6323	-0.051	52887	0.428
	11/03/2016			-4520	-0.037	48367	0.391
	18/03/2016			2311	0.019	50678	0.410
	Closing Balance as on 31/03/2016			-2311	-0.019	48367	0.391
12	Krishan Unni V B						
	Opening Balance as on 01/04/2015	40000	0.323				
	Closing Balance as on 31/03/2016					40000	0.323
13	Ambili S						
	Opening Balance as on 01/04/2015	36890	0.298				
	Closing Balance as on 31/03/2016					36890	0.298
14	Ravikumar Sundaram						
	Opening Balance as on 01/04/2015	35400	0.286				
	10/04/2015			-2812	-0.023	32588	0.264
	17/04/2015			-16080	-0.130	16508	0.134
	24/04/2015			-328	-0.003	16180	0.131
	01/05/2015			-31	0.000	16149	0.131
	08/05/2015			-543	-0.004	15606	0.126
	15/05/2015			-79	-0.001	15527	0.126
	22/05/2015			-9189	-0.074	6338	0.051
	29/05/2015			-6338	-0.051	0	0.000
	Closing Balance as on 31/03/2016					0	0.000
15	Rathnakumar K S						
	Opening Balance as on 01/04/2015	34390	0.278				
	07/08/2015			-2000	-0.016	32390	0.262
	14/08/2015			-4000	-0.032	28390	0.230
	25/12/2015			-100	-0.001	28290	0.229
	Closing Balance as on 31/03/2016					28290	0.229
16	Diwakar Kaiwar						
	Opening Balance as on 01/04/2015	30000	0.243				
	Closing Balance as on 31/03/2016					30000	0.243

**iv) Shareholding Pattern of Top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs) (Contd.)**

S. No.	Name	Opening Balance		Increase / Decrease		Closing Balance	
		Shares	%	Shares	%	Shares	%
17	Sunil Kumar Chhajaj						
	Opening Balance as on 01/04/2015	12500	0.101				
	06/11/2015			1962	0.016	14462	0.117
	11/12/2015			9725	0.079	24187	0.196
	01/01/2016			28644	0.232	52831	0.427
	08/01/2016			4669	0.038	57500	0.465
	Closing Balance as on 31/03/2016					57500	0.465
18	Gunjan Chhajaj						
	Opening Balance as on 01/04/2015	12500	0.101				
	30/10/2015			2350	0.019	14850	0.120
	11/12/2015			14040	0.114	28890	0.234
	01/01/2016			11611	0.094	40501	0.328
	08/01/2016			16999	0.137	57500	0.465
	22/01/2016			1	0.000	57501	0.465
	Closing Balance as on 31/03/2016					57501	0.465

**v) Shareholding of Directors and Key Managerial Personnel**

For Each of the Directors	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of shares	% of total shares of the Company
P J George	120,000	0.97	120,000	0.97
<b>Name of the Key Managerial Personnel</b>				
For Each of the KMPs	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of shares	% of total shares of the Company
None of the KMPs hold shares in the Company.	-	-	-	-

**V INDEBTEDNESS****Indebtedness of the Company including interest outstanding/accrued but not due for payment.**

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness ₹
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal amount	362,056,819	246,936,135	0	608,992,954
ii) Interest due but not paid	15,930,209	31,726,340	0	47,656,549
iii) Interest accrued but not due	0	0	0	0
Total ( i + ii + iii)	377,987,028	278,662,475		656,649,503
<b>Change in Indebtedness during the financial year</b>				
Addition	0	91,017,401		91,017,401
Reduction	377,987,028	0		377,987,028
<b>Net Change</b>	-377,987,028	91,017,401		-286,969,627
<b>Indebtedness at the end of the financial year</b>				
i) Principal amount	0	351,598,030		351,598,030
ii) Interest due but not paid	0	5,716,277		5,716,277
iii) Interest accrued but not due	0	12,365,569		12,365,569
Total ( i + ii + iii)	0	369,679,876		369,679,876

**VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration to Managing Director, Whole-time Directors and / or Manager**

Sl.No.	Particulars of Remuneration	Mr. Frederick Ivor Bendle
	Gross Salary	
1.	a) Salary as per provisions contained in Section 17(1) of the IT. Act 1961	-
	b) Value of perquisites under Section 17(2) of IT Act 1961	-
	c) Profits in lieu of salary u/s 17(3) of IT Act 1961	-
2	Stock Options	-
3	Sweat Equity	-
4	Commission	
	- As % of profit	-
	- Others specify	-
5	Others please specify :	
	i) Deferred bonus	-
	ii) Retirals	-
	<b>TOTAL (A)</b>	<b>0</b>

**B. Remuneration of other Directors****C. 1. Independent Directors**

Sl.No.	Particulars of Remuneration	Name of the Directors		
		P J George	T R Ramasamy	Total in ₹
1.	Fee for attending Board / Committee Meetings	35,000	35,000	70,000
2.	Commission	Nil	Nil	NIL
3.	Others, please specify	Nil	Nil	NIL
	Total	Nil	Nil	Nil

**2. Other Non Executive Directors**

Sl.No.	Particulars of Remuneration	Name of the Director		
		NIL		

**D. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER / WTD**

Sl.No.	Particulars of Remuneration	Key Managerial Personnel - Mr. Jitendra Kumar Pal - Company Secretary
1.	Gross Salary	₹ 1,161,559/-

**VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES :**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [ RD / NCLT / COURT]	Appeal made, if any ( give details)
<b>A. COMPANY</b>					
Penalty					
Punishment			NIL		
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment			NIL		
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment			NIL		
Compounding					

**RELATED PARTY TRANSACTION****ANNEXURE - IV****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 arms length transaction under third proviso thereto.

## 1 Details of contracts or arrangements or transactions not at Arm's length basis.

SI.No.	Particulars	Details
a	Name(s) of the related party & nature of relationship	–
b	Nature of contracts / arrangements / transaction	–
c	Duration of the contracts/arrangements / transaction	–
d	Salient terms of the contracts or arrangements or transaction including the value, if any	–
e	Justification for entering into such contracts or arrangements or transactions	–
f	Date of approval by the Board	–
g	Amount paid as advances, if any	–
h	Date on which the special resolution was passed in General meeting as required under first proviso to Section 188	–

## 2 Details of contracts or arrangements or transactions at Arm's length basis.

SI.No.	Particulars	Details
a	Name (s) of the related party & nature of relationship	–
b	Nature of contracts/arrangements/transaction	–
c	Duration of the contracts/arrangements/transaction	–
d	Salient terms of the contracts or arrangements or transaction including the value, if any	–
e	Date of approval by the Board	–
f	Amount paid as advances, if any	–

**FINANCIAL POSITION AND PERFORMANCE OF SUBSIDIARIES****ANNEXURE - V****Form No AOC - 1**

Pursuant to first Proviso to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules 2014

Statement containing salient features of the financial statement of subsidiaries

**Part 'A' : Subsidiaries**

(in ₹)

Sl.No.	Particulars	Details
1	Name of the subsidiary	Aspire Communications Private Ltd
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01 <sup>st</sup> April 2015 to 31 <sup>st</sup> March 2016
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Indian Rupees (INR)
4	Share Capital	20,000,000
5	Reserves & surplus	(20,077,961)
6	Total assets	127,520
7	Total Liabilities	127,520
8	Investments	–
9	Turnover	6,244
10	Profit before taxation	1,283,604
11	Provision for taxation	–
12	Profit after taxation	1,283,604
13	Proposed Dividend	–
14	% of shareholding	100

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**AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER AS PER THE SEBI (LODR) REGULATIONS 2015.**

TO

**The Members of California Software Company Ltd.**

We have examined the compliance of conditions of corporate governance by California Software Company Limited (the "Company"), for the year ended on March 31, 2016, as stipulated in chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with stock exchange(s).

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied

with the conditions of Corporate Governance as stipulated in the provisions as specified in chapter IV Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to Listing Agreement of the said Company with stock exchange(s).

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **N. Balasubramanian Associates**  
Chartered Accountants  
F.No. 0355S

Chennai  
12<sup>th</sup> August 2016

**N. Balasubramanian**  
Partner, Membership No.023445

## CORPORATE GOVERNANCE

### 1 Company's philosophy on code of governance:

The Company is committed to good corporate governance and provides detailed information to its shareholders on various issues concerning the Company's business and financial performance. The Company is in compliance with the mandatory requirements of the revised guidelines on corporate governance in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

### 2. Board of Directors:

#### a) Composition and category of Directors as on March 31, 2016

Category	No. of Directors	%
Whole time Director	1	25.00
Independent Non-executive Directors	2	50.00
Non-Executive Non-Independent Director (including one Woman Director )	1	25.00
Total	4	100.00

#### b) Composition of the Board, and Directorships held as on 31<sup>st</sup> March 2016.

#### c) Number of Board meetings held during the financial year and the dates on which held:

Name of the Director	Designation	No. of Board meetings in the year during respective tenure of directors		Attendance of Last AGM	No. of directorships held in the other companies	No. of board committee membership a held in other companies
		Held	attended			
Mr. Fredrick Ivor Bendle	Managing Director & CEO	05	03	Yes	Nil	Nil
Dr. P.J. George	Non-Executive Independent Director	05	05	Yes	Nil	Nil
Mr.T.R.Ramasamy	Non-Executive Independent Director	05	05	Yes	Nil	Nil
Ms.Vijayapriya	Non Executive, Non- Independent and Woman Director	05	02	No	Nil	Nil
Mr. Bhavesh Rameshlal Chauhan	Managing Director & CEO	04	02	No	Nil	Nil

#### c) Number of Board meetings held during the financial year and the dates on which held:

No. of meetings	Dates on which hold
05	29 <sup>th</sup> May 2015, 24 <sup>th</sup> July 2015, 19 <sup>th</sup> August 2015, 13 <sup>th</sup> November 2015 and 16 <sup>th</sup> February 2016

#### d) Details of Shareholding of Directors as on March 31, 2016

S.No.	Name of the Director	No. of Equity Share
1	Mr. Bhavesh Rameshlal Chauhan	Nil
2	Dr.P.J.George	1,20,000
3	Mr. T.R.Ramasamy	Nil
4	Mr. Fredrick Ivor Bendle	Nil
5	Ms.Vijayapriya	Nil

There are no other shares or convertible instruments held by any other directors.

Information about the directors proposed to be appointed / re-appointed required to be furnished in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 is forming part of the notice of the Twenty Fourth Annual general meeting to the shareholders of the Company.

**4. Limit and tenure of Independent Directorships:**

As per the declaration furnished by the Independent Director as on 31<sup>st</sup> March 2016 none of the Independent Director is/are serving as an independent director of more than seven listed companies and none of the independent director of the company presently serving as a whole time director in any listed company.

Their tenure of appointment of independent Directors are well within the maximum terms prescribed in the listing agreement.

**5. Letter of appointment to Independent Directors:**

The Company has issued formal letter of appointment to independent directors in the manner as provided in the Companies Act, 2013 and the letter of appointment along with the detailed profile of independent director has been disclosed on the websites of the company with due intimation to the Stock Exchanges within the prescribed time.

**6. Performance evaluation of Independent Directors:**

The Board constantly evaluates the contribution of the members and periodically update with the shareholders about their reappointment in consistent with applicable laws. One of the key function of the Board is to monitor and review the Board evaluation framework. The evaluation criteria for performance evaluation of independent directors has been laid down by the Nomination Committee and the same is annexed to the Annual Report.

The performance evaluation of independent directors has been done by the entire Board of Directors (excluding the director being evaluated) at their meeting held on 16<sup>th</sup> February 2016.

**7. Separate meetings of the Independent Directors:**

In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and the provision of schedule IV of the Companies Act, 2013 and the rules made there under, the independent Directors of the company shall hold at least one meeting in a year without the attendance of non-independent directors and members of management. All the independent directors of the company shall strive to be present at such meeting. The independent Directors at their meeting held on 31<sup>st</sup> March 2016 inter alia reviewed the following:

1. Evaluation of the performance of Non Independent Directors and the Board of Directors as a Whole;
2. Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non Executive Directors.
3. Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the independent Directors were present at the meeting.

**8. Availability of Information to the Board Members**

As required by and in adherence to the Secretarial Standards, adequate notice to all the Directors was given well in advance to schedule a Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance to all the directors. Board Meetings were held at the Registered Office of the Company. Additional meetings of the Board were held when deemed necessary by the Board. The minimum information as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 were being made available to the Board. The Board has unrestricted access to all companies related information. At the Board meetings, Auditors, officers and senior management and representatives who can provide additional insight into the items being discussed are invited.

**9. Training of Independent Directors:**

As required under listing agreement all new Non Executive directors appointed to the Board are introduced to our company culture through appropriate orientation sessions. Presentation was made by our company's executives directors and senior management to provide an overview of company's operation and to familiarize the new Non executive Directors with the company, organization structure, our service, Group structure, subsidiaries, Board Procedures, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model etc.

**10. Stock Option**

The Company has no Employee Stock Option Scheme.

**11. Review of Compliances Report:**

The Board periodically reviews compliance reports of all laws applicable to the Company. Adequate systems and process commensurate with the size and operation of the Company to monitor and compliance of all applicable laws, rules, regulations and guidelines are in place.

**12. Replacement of Independent Directors removed or resigned:**

During the year under review, no independent director has resigned or is removed from the Board of the Company.



### 13. Succession Plan

In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, a succession plan is being examined for orderly succession for appointments to the Board and to senior management to ensure and maintain an appropriate balance of skills, experience and expertise on the Board and senior management.

### 14. Familiarisation Programmes

At the time of their appointment, the Independent Directors are apprised of their role, duties and responsibilities in the Company. A detailed letter of appointment is also issued which set-outs the expectations of the Company, the rights, powers and liabilities of the Independent Director and the policies of the Company to be adhered by them.

Periodic presentations are made to the Independent Directors on the financial and operational performance of the Company, strategy and business plan, significant process improvements and material business developments among others. The Independent Directors are also regularly updated and informed about material regulatory and statutory developments affecting the Company. The details of familiarisation programmes for the Independent Directors are also disclosed on the website of the Company at <http://www.calsoftgroup.com>.

### 15. Audit Committee

a) Brief description of terms of reference:

The Audit Committee is responsible for effective supervision of the financial reporting process and ensuring financial and accounting and internal controls and compliance with financial policies of the Company. The committee will periodically interact with the statutory and internal auditors, review with the management the Company's financial and risk management policies and adequacy of internal controls. The committee will mandatorily review the Quarterly and Annual financial statements before they are submitted to the Board for approval. The committee will also recommend the appointment and removal of statutory auditors and internal auditors. In short, the terms of reference, powers and duties and the functioning of Audit Committee is in accordance with the provisions of Companies Act, 2013 and in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

b) **Composition of the Committee:**

The current composition is:

- 1) Mr. T R Ramasamy, Chairman
- 2) Dr. P J George, Member
- 3) Mr. Bhavesh Rameshlal Chauhan, Member (Upto 13<sup>th</sup> November 2015)
- 4) Mrs. Vijayapriya

c) **Meetings and attendance during the year:**

The Committee held four meetings, on 29<sup>th</sup> May 2015, 24<sup>th</sup> July 2015, 13<sup>th</sup> November 2015 and 16<sup>th</sup> February 2016. The statutory auditors of the Company were also invited to attend the Audit Committee meetings.

### 16. Nomination, Remuneration and Governance Committee

a) **Brief description of terms of reference:**

The Committee is to recommend to the Board regarding remuneration to be paid to the Board members and remuneration policy.

b) **Composition of the Committee:**

The Committee consist of three Directors

- 1) Dr P J George, Chairman
- 2) Mr. T R Ramasamy,
- 3) Ms. Viajayapriya

c) **Meetings and attendance during the year:**

One Meeting was held on 13<sup>th</sup> November 2015.

d) **Remuneration Policy:**

The Company recognises and embraces the benefits of having a diverse Board of Directors and sees increasing diversity at Board level as an essential element in maintaining a competitive advantage in the complex business that it operates. It is recognised that a Board composed of appropriately qualified people with broad range of experience relevant to the business of the Company is important to achieve effective corporate governance and sustained commercial success of the Company. A truly diverse Board will include and make good use of differences in the skills, regional and industry experience, background, race, gender and other distinctions amongst Directors. These differences will be considered in determining the optimum composition of the Board and when possible should be balanced appropriately. At a minimum, the Board of the Company shall consist of at least one woman Director. All Board appointments are made on merit, in the context of the skills, experience, independence, knowledge and integrity which the Board as a whole requires to be effective. Full text of the Policy can be seen in the website [www.calsoftgroup.com](http://www.calsoftgroup.com).

**e) Details of remuneration paid to Directors during the year 2015-2016: in ₹**

Sl. No	Name	Designation	Salary	Performance Incentive	Commission	Toral	Notice Period	Severance fee	No. of Options	Remarks
1	Bhavesh Rameshlal Chauhan	Managing Director & CEO (Upto 13 <sup>th</sup> November 2015)	-	-	-	-	1 month	-	-	-
2	Dr. P J George	Director	-	-	-	-	-	-	-	Sitting fees were paid for Board and committee meetings attended
3	T R Ramasamy	Director	-	-	-	-	-	-	-	Sitting fees were paid for Board and committee meetings attended
4	Fredrick Ivor Bendle	Manging Director & CEO (w.e.f 13 <sup>th</sup> November 2015)	-	-	-	-	-	-	-	Nil
5	Vijayapriya	Director	-	-	-	-	-	-	-	Sitting fees were paid for Board and committee meetings attended

**17. Stakeholder Relationship Committee:**

A Stake Holders Relationship Committee in line with SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 as amended read with section 178(5) of the Companies Act, 2013, comprising with the following members

1. Dr. P J George, Chairman
2. Mr. T P Ramasamy, Member and
3. Mr. Bhavesh Rameshlal Chauhan (Upto 13<sup>th</sup> November 2015)
4. Mr. Fredrick Ivor Bendle (From 13<sup>th</sup> November 2015)

Dr. P J George, Chairman of the Stake Holders Relationship Committee was present at the Annual General Meeting held on 19<sup>th</sup> August 2015. The Stakeholders Relationship Committee of the Board of Directors deals with stakeholder relations and security holders grievances including matters related to transfer, split, consolidation, dematerialisation and re-materialisation of shares. non-receipt of annual report, non-receipt of declared dividend and such other issues as may be raised by the investors from time to time. It ensures that investor grievances / complaints / queries are redressed in a timely and effective manner and to the satisfaction of investors. The Committee oversees the performance of the Registrar and Share Transfer Agents of the Company relating to investor services and recommends measures for improvement.

The role and terms of reference of the Committee are in consonance with the requirements mandated under Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

Mr. Jitendra Kumar Pal, Company Secretary is the compliance officer. Details regarding the number of shareholders' complaints received, number not solved to the satisfaction of shareholders and the number of pending share transfers are provided in the "Shareholder Information" section of this report.

**18. Risk Management Committee**

In compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 the company during Financial year 2015-16, through its Board of Directors duly constituted a Risk Management Committee. The committee had duly laid down the procedures to inform Board members about the risk assessment and minimization procedures. The roles and responsibilities of the Risk Management Committee is defined in the risk management policy which can be accessed at the website [www.calsoftgroup.com](http://www.calsoftgroup.com).

The main objective of this policy is to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business. In order to achieve the key objective, the policy establishes a structured and disciplined approach to Risk Management, in order to guide decisions on risk related issues.

The committee consists of the Independent Directors Mr.P J George and Mr.T R Ramasamy. In order to ensure that management controls risk through means of properly defined frame work a report on Risk Management and minimization procedures are received from the individual functional heads of the Company and placed before the Committee.

The Risk Management Committee of the Board of the Directors is entrusted with the responsibility of establishing policies to monitor and evaluate the risk management systems of the Company.

**Meetings**

The quorum for the meeting shall be any two members present at the meeting. The quorum for the meeting shall be any two members present at the meeting. During the financial year 2015-16, the Committee met on 31<sup>st</sup> March 2016.

Name of the Director	No. of meetings	
	Held	Attended
Dr P J George	1	1
Mr. T R Ramasamy	1	1

The Company Secretary and Compliance Officer of the Company, acted as the secretary to the Committee.

**19. Disclosures****19.1- Related Party Transactions**

In terms of Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Board of Directors has formulated a Policy on materiality on Related Party Transactions and also dealing with Related Party Transactions. The objective of this Policy is to set out (a) the materiality thresholds for related party transactions and; (b) the manner of dealing with the transactions between the Company and its related parties based on the Act and in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. The Policy can be accessed from the website of the Company at [www.calsoftgroup.com](http://www.calsoftgroup.com) (weblink). All the related party transactions are periodically placed before the Audit Committee for the approval. The disclosure of related party transactions is part of the Notes to Accounts section of Financial Statements.

**19.2- Subsidiary Monitoring Framework**

As on 31<sup>st</sup> March 2016, the company has only one subsidiary viz., Aspire Communications Private Limited. The Company monitors performance of subsidiary companies inter alia, by the following means;

- Financial statements, in particular the investments made by the unlisted subsidiary companies, are reviewed quarterly by the audit committee of the Company.
- All minutes of Board Meetings of the unlisted subsidiary companies are placed before the Company Board regularly.
- A Statement containing all significant transactions and arrangements entered into by the unlisted subsidiary companies is placed before the Company Board.

**20. Code of Conduct**

In compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and companies Act,2013 the Company has laid down a Code of Conduct (Code) for all the Board Members and Senior Management Personnel of the Company. The Code is also posted on the Website of the Company [www.calsoftgroup.com](http://www.calsoftgroup.com). All Board Members and Senior Management Personnel have affirmed their compliance with the Code for the financial year ended 31<sup>st</sup> March, 2016. A declaration to this effect signed by Fredrick Ivor Bendle, Managing Director and Chief Executive Officer, of the Company forms part of this report.

Confirmation of the Code of Conduct by Chief Executive Officer

This is to confirm that the Company has adopted a Code of Conduct for its Board members and senior management personnel and the same is available on the Company's website.

I confirm that the Company has, in respect of the financial year ended March 31, 2016, received from the senior management personnel of the Company and the members of the Board, a declaration of compliance with the Code of Conduct as applicable to them.

Name : Fredrick Ivor Bendle  
 Designation : Managing Director and Chief Executive Officer  
 Place : Chennai  
 Date : 12<sup>th</sup> August 2016

**21. Code of Conduct for Prevention of Insider Trading**

The Company is in the process of introducing a Code of Conduct in accordance with the provisions of the SEBI (Prohibition of Insider Trading) Regulations 2015. The new code will be displayed in the company's web site as soon as it is approved. In the meantime, the Company is taking care to ensure that the provisions relating to Insider Trading as stipulated in Section 195 of the Companies Act, 2013 and the SEBI Regulations are fully adhered to.

**22. Vigil Mechanism/ Whistle Blower Policy:**

In compliance with Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Audit Committee, approved an Whistle Blower Policy that provides a formal mechanism for all stakeholders, directors and employees of the Company to approach the Chairman of the Audit Committee of the Company and make protective disclosures about the unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. Details of policy can be accessed at the company's web site [www.calsoftgroup.com](http://www.calsoftgroup.com).

**23. Compliances**

There has been no occurrence of non-compliance of any legal requirements nor has there been any restriction imposed by any stock exchange, SEBI, on any matter relating to the capital market. The Company has complied with the requirements of the stock exchanges / SEBI / any other statutory authority on all matters related to capital markets. There are no material penalties or strictures imposed on the Company by the stock exchanges / SEBI / any other statutory authority relating to the above.

**24. Management Discussion and Analysis Report**

The Management Discussion and Analysis Report forms part of the Annual Report. It includes among others a discussion on the following matters:

- Industry structure and developments
- Risks and concerns
- Discussion on financial performance with respect to operational performance

**25. CEO / CFO Certificate**

The Managing Director of the Company has issued a certificate pursuant to the provision of Regulation 17(8) in terms of Schedule II part B of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and the same was taken on record by the Board at its meeting held on 13<sup>th</sup> June 2016.

**26. Remuneration to Statutory Auditors**

During the financial year 2015-2016, the details of the fees paid to the Statutory Auditors of the Company are as follows:

	(in ₹)
Audit fees [includes fees for quarterly reviews]	1,450,000
Other services	395,000
Out of pocket expenses (excluding service tax)	Nil
<b>Total</b>	<b>1,845,000</b>

**27. Non-compliance of any requirement of corporate governance:**

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This Corporate Governance Report of the Company for the year 2015-16 is in compliance with the requirements of Corporate Governance under of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with BSE Limited and National Stock Exchange of India Limited or SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**28. Discretionary requirements-Part E of Schedule II****28.1 - The Board**

The Chairman of the Board of Directors is a Non Executive and no separate office have been provided to the Non Executive Chairman.

**28.2 - Shareholders Rights**

The half-yearly declaration of financial performance together with the summary of significant events are not individually disseminated to the shareholders. However, the information on financial and business performance is updated in the 'Investors' section of the Company's website, [www.calsoftgroup.com](http://www.calsoftgroup.com), on a quarterly basis.

**28.3 - Audit Qualifications**

The audited financial statements of the Company for the financial year 2015-2016 contains some qualificatory remarks which have been duly replied in the Board's Report. The Secretarial Audit Report do not contain any qualifications and the Audit Report does not contain any adverse remarks.

**28.4 - Separate posts of Chairman and CEO**

The Company has appointed separate persons to the post of Chairman and CEO.

**28.5 - Reporting of Internal Auditor**

The Internal Auditor reports to the Audit Committee of the Board of Directors of the Company. The Audit Committee is empowered to hold separate meetings and discussions with the Internal Auditor.

**29. General Body Meetings:****a) Location and time where last three Annual General Meetings were held:**

Year	Date	Venue	Time
2012-13	30 <sup>th</sup> September 2013	Robert V Chandran Tower, 149, Velacherry Tambaram Main Road, Pallikarnai, Chennai - 600 100	10.00 a.m
2013-14	27 <sup>th</sup> November 2014	Robert V Chandran Tower, 149, Velacherry Tambaram Main Road, Pallikarnai, Chennai - 600 100	11.00 a.m
2014-15	19 <sup>th</sup> August 2015	Robert V Chandran Tower, 149, Velacherry Tambaram Main Road, Pallikarnai, Chennai - 600 100	10.00 a.m

**Special resolutions passed in the previous three AGM**

year 2012-13 - Nil

year 2013-14 - Nil

year 2014-15 - Nil

No Extraordinary General Meetings were held during the financial year.

**b) Whether special resolutions were put through postal ballot last year, details of voting pattern, person who conducted the postal ballot exercise and procedure for postal ballot:**

No postal ballot was conducted during the year.

**30. Disclosures:**

- a) Disclosures on materially significant related party transactions i.e. transactions of the Company of a material nature, with its promoters, the Directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the Company at large:

**The details as applicable are provided under the paragraph "Related party transactions" in the "Notes on Accounts" in Financial statements.**

- b) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets, during the last three years.

**NIL**

**31. Means of Communication:**

Quarterly results / other information

The quarterly results are normally published in newspapers as statutorily required. The financial results are posted on the Company's website [www.calsoftgroup.com](http://www.calsoftgroup.com). The website also displays all official news releases. As & when presentations are made to institutional investors/ analysts, the same will also be posted on the Company's website.

**32. General Shareholder Information**

The details are provided in the "Shareholders Information" Section of this report.

**33. Disclosure of Accounting Treatment**

No treatment different from that prescribed in an Accounting Standard have been followed by the Company.

**34. Disclosure to the shareholders**

As per the requirement of section 152(6) of the Companies Act, 2013, Dr.P.J.George retire by rotation and eligible for reappointment. As required under SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 the Quarterly results and presentations made by the company to analysts has disclosed on company's web-site.

**35. COMPLIANCE OFFICER**

Company Secretary, is the Compliance Officer for complying with the requirements of Securities laws and Listing Agreements with the BSE Limited and National Stock Exchange of India Limited, the Stock Exchanges where equity of the Company are listed.

**36. Recommendation of Dividend and Dividend Payment Date**

No Dividend is proposed to be declared at the ensuing Annual General Meeting.

**37. GENERAL SHAREHOLDER'S INFORMATION**

Financial calendar (Tentative)

Financial Year	April 01, 2015 to March 31, 2016
Calendar of Board meetings for the financial year (Tentative and subject to change)	
First Quarter Result	2 <sup>nd</sup> week of August
Second Quarter Result	2 <sup>nd</sup> week of November
Third Quarter Result	2 <sup>nd</sup> week of February
Fourth Quarter Result	4 <sup>th</sup> week of May
Date of Book Closure	22 <sup>nd</sup> September 2016 to 28 <sup>th</sup> September 2016
Annual General Meeting	
Date	28 <sup>th</sup> September 2016
Day	Wednesday
Time	09.30 a.m.
Venue	Robert V Chandra Towers, 2 <sup>nd</sup> Floor, 149, Velachery Tambaram Main Road, Pallikaranai, Chennai-600100
Dividend Payment Date	Not Applicable
Stock code	532386 BSE Calsoft - NSE
Listing at	The Company's securities are listed with BSE Limited, Mumbai and NSE and it has paid the respective annual listing fees up-to-date and there are no arrears.
	There is no share of the company which remains unclaimed and lying in the escrow account.
Demat ISIN	INE526B01014
Listing fee	Annual listing fee for the year 2015 - 2016 has been duly paid to the exchange
Outstanding GDRs/ADRs/Warrants or any Convertible instrments, conversion date and likely impact on equity	As on March 31, 2016 the Company does not have any Outstanding GDRs/ADRs/Warrants or any Convertible instruments,
Reconciliation of Share Capital Audit	In terms of Regulation 55A of the SEBI (Depositories and Participants) Regulations, 1996, reconciliation of Share Capital Audit is conducted every quarter by Mr. P. Krishna Kumar Company Secretaries reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital and the report is forwarded to the Stock Exchanges where the shares of the Company are listed.
Custodial Fees	The Company has paid custodial fees for the year 2015-16 to NSDL and CDSL on the basis of the number of beneficial accounts maintained by them. The custodial fees for the year 2016-17 to NSDL and CDSL will be paid upon demand.
Proceeds from public / rights / preferential issues, etc.,	The Company does not have any unutilized money raised through Public / Rights / Preferential Issues, etc.

**38. STOCK PRICE MOVEMENT**

Month	National Stock Exchange (NSE)		BSE	
	High	Low	High	Low
Apr-15	6.65	6.05	5.5	4.32
May-15	5.75	5.75	5.1	3.35
Jun-15	5.75	5.5	6.14	4.2
Jul-15	6	5.2	5.8	4.28
Aug-15	5.95	4.85	6.84	5.25
Sep-15	6.7	4.7	8.44	5.23
Oct-15	12.25	7	12.4	8.42
Nov-15	12.3	8.3	13.52	8.46
Dec-15	11.6	9.6	13.34	9.71
Jan-16	13.75	9.1	16.11	8.73
Feb-16	10.2	7.05	10.05	7.41
Mar-16	8.5	6.5	8.49	6.7

**39. INSIDER TRADING**

The Company has formulated and published in its website, a code of conduct of Practices and Procedures for Fair Disclosure of Unpublished Sensitive Information (UPSI) and a Code of Conduct to regulate, monitor and report trading,

**40. DEMATERIALISATION OF SHARES AND LIQUIDITY**

The Equity shares of the company are made available for Dematerialisation under depository system operated by the Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL). The shares of your company are under Compulsory Demat settlement mode and can be traded only in the demat form. Shares Dematerialised up to March 31, 2016 are as under:

S. No.	Particulars	No. of Shares	% of total issued capital
1	Listed Capital	12365006	100
2	Held in Dematerialisation form - NSDL	11754992	95.07
3	Held in Dematerialisation form - CDSL	491134	3.97
4	Physical shares	118880	0.96

Considering the advantage of dealing in shares in electronic/ dematerialized form, shareholders still holding shares in physical form are requested to dematerialize their shares at the earliest. For further information clarification/ assistance in this regard, please contact M/s.Integrated Enterprises (India) Limited, the Registrar and Share Transfer Agent or the Company Secretary, California Software Company Limited. As per the direction of SEBI, equity shares of the Company can be traded by all the investors only in Dematerialised form.

**41. REGISTRAR AND SHARE TRANSFER AGENTS (RTA)**

To expedite the process of share transfers, the Board of the company has delegated the power of share transfer to the registrar and share transfer agents as detailed below: Pursuant to regulations 53A of the Securities and Exchange Board of India (Depositories & Participants) Regulations, 1996, the Company has appointed Integrated Enterprises (India) Limited, a SEBI registered Agency as the Common Registrar and Share Transfer Agent of the Company for both physical and dematerialized segments. Their complete address is as under

M/s. Integrated Enterprises (India) Limited  
2<sup>nd</sup> Floor, Kencees Towers,  
1, Ramakrishna Street,  
North Usman Road,  
T Nagar, Chennai-600017  
Phone No.044-28140801 to 28140803,  
Email: corpserv@integratedindia

**42. SHARE TRANSFER SYSTEM**

The shares of the Company are traded on the Stock Exchange through the Depository System. The demat ISIN in National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) is INE526B01014.

All requests received by the Company / RTA for dematerialization / re-materialization, transfer, transmissions, subdivision, consolidation of shares or any other share related matters and / or change in address are disposed off expeditiously.

**43. DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2016**

No. of Shares held	No. of Holders	% of Shareholders	Total No. of Shares	% of Equity Shareholding
Upto 500	2976	83.83	359078	2.90
501-1000	266	7.49	215049	1.74
1001-2000	133	3.75	202459	1.64
2001-3000	52	1.46	131571	1.06
3001-4000	18	0.51	65159	0.53
4001-5000	19	0.54	90663	0.73
5001-10000	50	1.41	375698	3.04
10000 and above	36	1.01	10925329	88.36
	3550	100.00	12365006	100.00

As required under circular No.D&CC/FITTC/CER-16/2004 dated 31<sup>st</sup> December 2004 issued by the Securities Board of India, the Company has appointed a Practicing Company Secretary to do the Secretarial audit report was placed before the Board and sent forthwith to Stock Exchange for their information and record.

**44. CATEGORIES OF SHAREHOLDINGS AS ON MARCH 31, 2016**

S.No.	Category of Shareholders	No. of Shares held	Percentage of holdings
1	Promoters	8743911	70.71
2	Body Corporate	554064	4.48
3	Individual shareholders holding nominal share capital upto Rs.1 lakh	1375957	11.13
4	Individual shareholders holding nominal share capital excess of Rs.1 lakh	1684787	13.63
5	Clearing Members	6287	0.050
	Total	12365006	100

**45. MAJOR SHAREHOLDERS**

Details of shareholders holding more than 1% of the paid up capital of the company as on March 31, 2016 are given below:

Name of the Shareholder	No. of Shares	Percentage of Paid up capital	Category
CHEMOIL ADVANCED MANAGEMENT SERVICES P LTD	449178	3.63	Public
SANTHOSH.S	336743	2.72	Public
JAYASHREE S	175163	1.42	Public
NANDINI J NATHANI	164800	1.33	Public
ADIL NATHANI	163400	1.32	Public
RAVINDRA KRISHNAPPA	126867	1.03	Public

**46. CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE**

In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, Company is required to obtain a Certificate from the Auditors of the Company regarding compliance of the conditions of Corporate Governance. The Auditors' Certificate in respect of compliance thereof is enclosed in this Annual Report.

**47. COMPANY REGISTRATION DETAILS**

The Company is registered in the state of Tamil Nadu. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L72300TN1992PLC022135



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT (MDA)

### a. Industry structure and developments

#### *Global Economy - Review and outlook*

After years of stagnation, the global economy showed small signs of recovery, albeit in pockets. USA, Germany, UK etc led the way with sustained growth indices. However Japanese economy remained stagnated and most European countries were faced with continuing contraction in demand. The sustainability and resilience of overall Global economic recovery is challenged by several serious geopolitical developments.

According to International Monetary Fund (IMF), average growth in emerging markets and developing economy economies is expected to pick gradually from 4 % in 2015 to about 4.1% in 2016 and to 4.6% in 2017. The baseline projection for global growth in 2016 is projected at a promising 3.2%, though broadly in line with that in 2015. The recovery is projected to strengthen in 2017 and beyond, driven by growth recovery in major economies in western nations coupled with gradual easing of the stressed economies of many nations.

#### *Indian Economy - Review and outlook*

On the back of prudent monetary policies of RBI and incremental fiscal reforms being carried out by the Government, the Indian economy has emerged as a bright spot, becoming one of the fastest growing large economies in the world. The 7.6% growth in GDP at constant market prices in 2015-16, according to the advanced estimates of the Central Statistics Office shows a sustained growth impetus, when compared to the figures of the previous 3 years: 7.3% in 2015, 7.2% in 2014 and 6.6% in 2013.

### b. Opportunities and threats

The Company has stopped its business operation and the only income was rental income during the year.

### c. Segment wise performance

For the financial year under consideration, your company has reported revenue only from rental income. The company has stopped entirely its principal activity of providing software development and its sales and services and hence current year there is no segment wise reporting, Previously the Company's operations predominantly related to providing development of software to customers globally operating in various industry segments.

### d. Outlook

The detailed outlook is mentioned in business update and outlook in the Directors Report.

### e. Risks and concerns

Risks that the Company faces are those which others in our Industry face. The Company monitors these risks consistently and periodically. Business risks faced by the Company include

reduction in IT budgets of our customers, currency volatility, geo political risks as we operate across geographies, etc.

The risks and uncertainties include, but not limited to, risks and uncertainties regarding fluctuations in earnings and exchange rates, and the Company's ability to manage growth in the face of intense competition in IT services.

### f. Internal control systems and their adequacy

Calsoft has deployed adequate Internal Control Systems (ICS) in place to ensure a smooth functioning of its business. The Control Systems provide a reasonable assurance of recording the transactions of its operations in all material aspects and of providing protection against misuse or loss of company's assets.

The existing internal control systems and their adequacy are frequently reviewed and improved upon to meet the changing business environment.

### g. Material development in Human Resources

As on March 31, 2016, only one employee is in the roles of the Company.

### h. Financial and performance highlights (Consolidated)

- a. **Revenues:** Sales revenues for the year ended 31<sup>st</sup> March 2016 was ₹ 3.68 crores as compared to ₹ 3.69 crores for the same period last year.
- b. **Total Expenses:** Total expenses for the year ended 31<sup>st</sup> March 2016 was ₹ 5.02 crores as compared to ₹ 17.75 crores for the previous year.
- c. **Profit before exceptional and extra-ordinary items and Tax:** Profit before Tax was ₹ (13.40) crores for the year ended 31<sup>st</sup> March 2016 as compared to ₹ (14.06) crores for the previous year.
- d. **Exceptional items:** It consists of prior period expenses and prior period depreciation due to change in depreciation policy for the year ending 31<sup>st</sup> March 2016 was ₹ (0.17) Crores compare to ₹ 1.04 Crores for the previous year.
- e. **Profit before extra-ordinary items and Tax:** Profit after tax was ₹ (1.17) crores for the year ended 31<sup>st</sup> March 2016 as compared to ₹ (15.10) crores for the previous year.
- f. **Finance Costs:** Interest and finance charges for the year ended 31<sup>st</sup> March 2016 was ₹ 6.99 crores as compared to ₹ 9.01 crores for the previous year.
- g. The Company has Paid up share capital of ₹ 12.36 Crores, comprising of 1,23,65,006 equity shares of ₹ 10 each
- h. Long term borrowing outstanding was Nil as compared to ₹ 25.08 Crores in the previous year.
- i. **Fixed Assets (Tangible):** There are no fixed assets as at 31<sup>st</sup> March 2016 as compared to ₹ 41.973 crores of the previous year.

## CONFIRMATION ON CODE OF CONDUCT

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### DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

TO:

THE MEMBERS

CALIFORNIA SOFTWARE CO. LTD

This is to declare that the Code of Conduct adopted by the Company for the Board of Directors and the Senior Management Personnel of the Company have been complied with by all the members of the Board of Directors and all the Senior Management Personnel of the Company. The full text of the Code adopted is available on the Company's website.

**FREDERICK IVOR BENDLE**  
Managing Director & CEO

Date: 12<sup>th</sup> August, 2016

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## CEO CERTIFICATION

I Frederick Ivor Bendle Managing Director and CEO certify that:

- a. I have reviewed financial statements and the cash flow statement for the year and that to the best of their knowledge and belief :
  - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. To the best of our knowledge and belief, no transactions entered into by the company during the year ended 31<sup>st</sup> March 2016 are fraudulent, illegal or violative of the company's code of conduct.
- c. I accept responsibility for establishing and maintaining internal controls for financial reporting and I have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which I am aware have been disclosed to the auditors and Audit Committee and the steps have been taken or proposed to take to rectify these deficiencies.
- d.
  - i) There has not been any significant change in internal control over financial reporting during the year under reference.
  - ii) There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements.
  - iii) I was not aware of any instance during the year of any significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

**FREDERICK IVOR BENDLE**  
Managing Director & CEO

Place : Chennai

Date : 12<sup>th</sup> August, 2016

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## Consolidated Financial Statements

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1. Auditors' Report
  2. Balance Sheet
  3. Profit and Loss Account
  4. Notes
  5. Cashflow Statement
-

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CALIFORNIA SOFTWARE COMPANY LIMITED****Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of **CALIFORNIA SOFTWARE COMPANY LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at 31<sup>st</sup> March, 2016 the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

**Management's Responsibility for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 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.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

**Opinion**

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 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 31<sup>st</sup> March, 2016, and their consolidated loss and their consolidated cash flows for the year ended on that date.

**Emphasis of Matter**

We draw attention to the following matters in the Notes to the financial statements:

1. Note 23 and 24, which indicate that the Holding Company has accumulated losses and its net worth has been fully eroded, the Holding Company has incurred a net loss during the current and previous years and, the Holding Company's current liabilities exceeded its current assets as at the balance sheet date. These conditions, along with other matters set forth in Note 23, indicate the existence of a material uncertainty that may cast significant doubt about the Holding Company's ability to continue as a going concern.
2. Note no. 32 to the financial statement regarding write back of Account Payables to CSWL Inc wholly owned subsidiaries of the Standalone Company amounting to ₹ 423679401.74 and the equity shares of the said company amounting to ₹ 307202843/- due to the winding up of the company during the year.
3. Note no. 37 to the consolidated financial statement regarding unsecured loans from Associate companies amounting to ₹ 369679876/-

Our opinion is not modified in respect of this matter

**Report on Other Legal and Regulatory Requirements**

1. As the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-Section (11) of section 143 of the Act, is not applicable to consolidated financial statements, we have not given our comments based on this order.
2. 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, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) Matters described in sub-paragraphs under the Emphasis of Matters paragraph above, in our opinion, may have an adverse effect on the functioning of the Company
  - (f) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2016 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, 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.

For and on behalf of

**N. Balasubramanian Associates**  
Chartered Accountants  
**F.No. 0355S**

**N. Balasubramanian**  
**Partner**  
Membership No: 023445

Chennai  
13<sup>th</sup> June 2016

**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2016**

Particulars	Note No.	31.03.2016	31.03.2015
		₹	₹
<b>I. EQUITY AND LIABILITIES</b>			
<b>1. Shareholders' funds</b>			
(a) Share capital	1	123,650,060	123,650,060
(b) Reserve and surplus	2	(435,689,686)	(329,290,519)
(c) Money received against share warrants		-	-
<b>Total</b>		<b>(312,039,626)</b>	<b>(205,640,459)</b>
<b>2. Share application money pending allotment</b>			
		-	-
<b>3. Non-Current liabilities</b>			
(a) Long-term borrowings	3	-	250,806,819
(b) Deferred tax liabilities (Net)		-	-
(c) Other Long term liabilities		-	-
(d) Long-term provisions		-	-
<b>Total</b>		<b>-</b>	<b>250,806,819</b>
<b>4. Current liabilities</b>			
(a) Short-term borrowings	4	369,679,876	246,936,135
(b) Trade payables	5	2,563,538	-
(c) Other Current Liabilities	6	1,454,097	200,023,080
(d) Short-term provisions	7	240,758	1,873,903
<b>Total</b>		<b>373,938,269</b>	<b>448,833,118</b>
<b>TOTAL</b>		<b>61,898,643</b>	<b>493,999,478</b>
<b>II. ASSETS</b>			
<b>1. Non-current assets</b>			
(a) Fixed Assets			
(i) Tangible assets	8	-	419,714,941
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
(b) Non-current investments	9	5,500	23,000
(c) Deferred tax assets (net)		-	-
(d) Long-term loans and advances	10	60,677,278	55,991,053
(e) Other non-current assets	11	-	-
<b>Total</b>		<b>60,682,779</b>	<b>475,728,994</b>
<b>2. Current assets</b>			
(a) Current investments		-	-
(b) Inventories		-	-
(c) Trade receivable	12	-	-
(d) Cash and cash equivalents	13	1,215,864	3,518,152
(e) Short-term loans and advances	14	-	100,627
(f) Other current assets	15	-	14,651,704
<b>Total</b>		<b>1,215,864</b>	<b>18,270,484</b>
<b>TOTAL</b>		<b>61,898,643</b>	<b>493,999,478</b>

Notes referred to above and the notes thereon an integral part of the consolidated balance sheet.

As per our report of even date attached

For N. BALASUBRAMANIAN ASSOCIATES  
Chartered Accountants  
F. No.0355S

N. BALASUBRAMANIAN  
Partner Membership No. 023445

Chennai  
13<sup>th</sup> June, 2016

FREDERICK IVOR BENDLE  
Managing Director & CEO

T R RAMASAMY  
Director

Dr. P J GEORGE  
Director

JITENDRA KUMAR PAL  
Company Secretary

**CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2016**

Particulars	Note No.	31.03.2016	31.03.2015
		₹	₹
I. Revenue from operations	16	-	-
II. Other Income	17	36,811,192	36,932,328
III. Total Revenue (I+II)		36,811,192	36,932,328
IV. Expenses:			
Employee benefits expense	18	1,216,642	1,242,326
Operation and Other Expenses	19	(20,952,432)	60,680,138
Finance Costs	20	69,942,605	90,134,977
Depreciation & Amortization	21	-	25,425,157
<b>Total Expenses</b>		<b>50,206,815</b>	<b>177,482,598</b>
V. Profit before exceptional and extraordinary items and tax (III-IV)		(13,395,623)	(140,550,270)
VI. Exceptional Items	22	(1,650,683)	10,448,230
VII. Profit before extraordinary items and Tax (V-VI)		(11,744,940)	(150,998,500)
VIII. Extraordinary items		-	-
IX. Profit before Tax (VII-VIII)		(11,744,940)	(150,998,500)
X. Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		-	-
(3) Current tax expense relating to prior years		-	-
<b>Total</b>		<b>-</b>	<b>-</b>
XI. Profit / (Loss) for the period from continuing Operations (IX-X)		(11,744,940)	(150,998,500)
XII. Profit / (Loss) from discontinuing operations		-	-
XIII. Tax expense of discontinuing operations		-	-
XIV. Profit / (loss) from discontinuing operations (after tax) (XII-XIII)		-	-
XV. Profit / (Loss) for the period (XI+XIV)		(11,744,940)	(150,998,500)
Less Minority Interest		-	-
XV. Profit / (Loss) for the period (XI+XIV)		(11,744,940)	(150,998,500)
XVI Earnings per equity share:			
(1) Basic		(0.95)	(12.21)
(2) Diluted		(0.95)	(12.21)

Notes referred to above and the notes thereon an integral part of the consolidated balance sheet.

As per our report of even date attached

For N. BALASUBRAMANIAN ASSOCIATES  
Chartered Accountants  
F. No.0355S

FREDERICK IVOR BENDLE  
Managing Director & CEO

Dr. P J GEORGE  
Director

JITENDRA KUMAR PAL  
Company Secretary

N. BALASUBRAMANIAN  
Partner Membership No. 023445

T R RAMASAMY  
Director

Chennai  
13<sup>th</sup> June, 2016

**CONSOLIDATED NOTES ON ACCOUNTS**

	As at 31-Mar-16	As at 31-Mar-15
	₹	₹
<b>1 SHARE CAPITAL</b>		
<b>A AUTHORISED CAPITAL</b>		
15,000,000 Equity Shares of ₹ 10/- each with equal voting rights	150,000,000	150,000,000
<b>ISSUED CAPITAL</b>		
123,65,006 Equity Shares of ₹ 10/- each with equal voting rights	123,650,060	123,650,060
<b>SUBSCRIBED, CALLED UP AND PAID UP CAPITAL</b>		
123,65,006 Equity Shares of ₹ 10/- each with equal voting rights	123,650,060	123,650,060
Fully Called up and paid up.		
(The paid up share capital includes shares worth ₹ 7,24,920 which were issued by the company in October 1994 for consideration other than cash)		
<b>2 RESERVE AND SURPLUS</b>		
<b>A CAPITAL RESERVE</b>		
Opening balance	206,250	206,250
Add: Additions during the year		
Less: Utilised / transferred during the year		
Closing balance	206,250	206,250
Foreign Currency Translation reserve	44,120,757	27,483,926
Add: Current Year	(44,120,757)	16,636,831
Closing balance	-	44,120,757
<b>B SECURITIES PREMIUM ACCOUNT</b>		
Opening balance	633,084,932	633,084,932
Add : Premium on shares issued during the year	-	-
Less : Utilised during the year for:	-	-
Closing balance	633,084,932	633,084,932
<b>C GENERAL RESERVE</b>		
Opening balance	65,864,252	65,864,252
Add: Transferred from surplus in Statement of Profit and Loss	-	-
Less: Utilised / transferred during the year for:	-	-
Closing balance	65,864,252	65,864,252
<b>D SURPLUS / (DEFICIT) IN STATEMENT OF PROFIT AND LOSS</b>		
Opening balance	(1,072,566,700)	(921,568,200)
Add: Profit / (Loss) for the year	(11,744,940)	(150,998,500)
Less: Surplus / Deficit of disinvested subsidiary( CSWL)	50,533,470	-
Closing balance	(1,134,845,121)	(1,072,566,700)
<b>Total</b>	<b>(435,689,686)</b>	<b>(329,290,519)</b>



**CONSOLIDATED NOTES ON ACCOUNTS**

	As at 31-Mar-16	As at 31-Mar-15
	₹	₹
<b>3 LONG-TERM BORROWINGS</b>		
Term loans		
From banks		
<b>Secured</b>		
Canara Bank Building Term Loan	–	250,806,819
Sanoma National Bank - Building	–	–
<b>Total</b>	<b>–</b>	<b>250,806,819</b>
<b>4 SHORT-TERM BORROWINGS</b>		
Loans repayable on demand		
Glencore Loan	–	65,000,000
Chemoil Advanced Management Services Pvt Ltd	251,543,716	107,880,399
Chemoil Information Services Pvt Ltd	23,491,356	21,500,000
Chemoil International Pte Ltd	69,247,076	28,528,883
Chemoil Europe B.V	25,397,728	24,026,853
<b>Total</b>	<b>369,679,876</b>	<b>246,936,135</b>
<b>5 TRADE PAYABLES</b>	2,563,538	–
<b>6 OTHER CURRENT LIABILITIES</b>		
(a) Current maturities of long-term debt	–	92,500,000
(b) Term Loan Instalments overdue for payment	–	18,750,000
(c) Interest accrued but not due on borrowings	–	–
(d) Interest accrued and due on borrowings	–	15,930,209
(e) Income received in advance (Unearned revenue)	–	–
(f) Unpaid dividends	103,172	215,161
Rent Deposits	–	25,227,174
(i) Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, VAT, Service Tax, etc.)	–	–
TDS Payable	156,500	(4,711)
CST&VAT	–	–
EPF	1,925	–
Service tax	–	–
Other expenses Payable	1,192,500	47,405,247
Advance for sale of building	–	–
<b>Total</b>	<b>1,454,097</b>	<b>200,023,080</b>
<b>7 SHORT-TERM PROVISIONS</b>		
IT Provision	105,480	1,756,163
Provision for employee benefits	135,278	117,740
Others (Specify nature)	–	–
<b>Total</b>	<b>240,758</b>	<b>1,873,903</b>

**CONSOLIDATED NOTES ON ACCOUNTS**

<b>8 Fixed Asset Schedule as at 31st March 2016</b>											
Particulars	Gross Block				Depreciation / Amortisation				Net Block		
	as at 31/Mar/15	Additions	Deletions / Transfer	as at 31/Mar/16	Upto 31/Mar/15	For the Year	Prior period depreciation due to change in Dep policy	Deletions / Transfer	Upto 31/Mar/16	as at 31/Mar/16	as at 31/Mar/15
Tangible											
Land & Buildings	556,546,398	-	556,546,398	-	144,045,090	-	-	144,045,090	-	-	412,501,307
Plant and machinery	48,348,505	-	48,348,505	-	48,348,505	-	-	48,348,505	-	-	-
Office equipment	694,201	-	694,201	-	673,249	-	-	673,249	-	-	20,953
Furniture and fittings	135,110,455	-	135,110,455	-	127,917,773	-	-	127,917,773	-	-	7,192,681
Electrical Fittings	7,856,199	-	7,856,199	-	7,856,199	-	-	7,856,199	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
Computers and accessories	111,222,626	-	111,222,626	-	111,222,626	-	-	111,222,626	-	-	-
<b>Total</b>	<b>859,778,384</b>	<b>-</b>	<b>859,778,384</b>	<b>-</b>	<b>440,063,442</b>	<b>-</b>	<b>-</b>	<b>440,063,442</b>	<b>-</b>	<b>-</b>	<b>419,714,941</b>

<b>Total</b>	<b>As at 31-Mar-16</b>	<b>As at 31-Mar-15</b>
	₹	₹

<b>9 NON CURRENT INVESTMENTS (AT COST)</b>		
<b>Investment in Unquoted Equity Shares</b>		
Trust money in California Software Employees' Welfare Trust	-	17,500
NSC	5,500	5,500
<b>Total</b>	<b>5,500</b>	<b>23,000</b>

<b>10 LONG-TERM LOANS AND ADVANCES</b>		
(a) Secured, considered good		
Unsecured, considered good	-	2,393,075
Doubtful	-	-
	-	2,393,075
Less: Provision for doubtful deposits	-	2,393,075
(b) Loans and advances to related parties		
Secured, considered good	-	-
Unsecured, considered good	-	-
Doubtful	-	-
Less: Provision for doubtful loans and advances	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
(i) Other loans and advances (specify nature)	934,543	-
Secured, considered good	-	-
(f) Advance income tax # (net of provisions ₹ 41519871 (As at 31 March, 2011 ₹ 41519871) - Unsecured, considered good	59,742,735	53,597,978
<b>Total</b>	<b>60,677,278</b>	<b>55,991,053</b>

**CONSOLIDATED NOTES ON ACCOUNTS**

	As at 31-Mar-16	As at 31-Mar-15
	₹	₹
<b>11 OTHER NON CURRENT ASSETS</b>		
Minority Interest	-	-
	-	-
<b>12 TRADE RECEIVABLES</b>		
Unsecured Considered Good	-	-
Considered Doubtful	-	-
	-	-
Less: Provision for doubtful debts	-	-
<b>Sub Total</b>	-	-
<b>Grand Total</b>	-	-
<b>13 CASH AND CASH EQUIVALENTS</b>		
(a) Cash on hand	19,907	3,394
(b) Cheques, drafts on hand	-	-
(c) Balances with banks	-	-
(i) In current accounts	1,092,785	3,184,305
(ii) In EEFC accounts	-	118,947
(iii) In deposit accounts (Refer Note (i) below)	-	-
(iv) In earmarked accounts	-	-
- Unpaid dividend accounts	103,172	211,508
Balances held as margin money or security against borrowings, guarantees and other commitments other earmarked accounts	-	-
(d) Others (specify nature)	-	-
<b>Total</b>	<b>1,215,864</b>	<b>3,518,152</b>
<b>14 SHORT-TERM LOANS AND ADVANCES</b>		
(c) Loans and advances to employees		
Secured, considered good		
Unsecured, considered good	-	40,000
Doubtful	-	-
(d) Prepaid expenses - Unsecured, considered good (For e.g. Insurance premium, Annual maintenance contracts, etc.)	-	60,627
(e) Balances with government authorities	-	-
Unsecured, considered good	-	-
(i) CENVAT credit receivable	-	-
(ii) VAT credit receivable	-	-
(iii) Service Tax credit receivable	-	-
Others	-	-
<b>Total</b>	-	<b>100,627</b>

**CONSOLIDATED NOTES ON ACCOUNTS**

	As at 31-Mar-16	As at 31-Mar-15
	₹	₹
<b>15 OTHER CURRENT ASSETS</b>		
(a) Accruals		
(i) Interest accrued on deposits	-	-
(ii) Interest accrued on investments	-	-
(iii) Interest accrued on trade receivables	-	-
Advance to Suppliers	-	-
(b) Others	-	-
(i) Insurance claims	-	-
(ii) Receivables on sale of investments	-	-
Dividend Receivable	-	-
(iv) Others (specify nature)	-	-
Rent Receivable	-	55,695,442
Less Provisions	-	41,043,738
	-	14,651,704
Others	-	-
<b>Total</b>	<b>-</b>	<b>14,651,704</b>
<b>16 REVENUE FROM OPERATIONS</b>		
Sale of products	-	-
Sale of services	-	-
Other operating revenues	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
<b>17 OTHER INCOME</b>		
Other non-operating income comprises:		
Rental income	30,597,878	30,497,921
Interest	-	85,984
Exchange Gain / Loss	6,244	4,916
Bad debts recovered	6,162,750	-
Miscellaneous income	44,320	6,343,506
<b>Total - Other non-operating income</b>	<b>36,811,192</b>	<b>36,932,328</b>
<b>18 EMPLOYEE BENEFITS EXPENSE</b>		
Salaries & Allowances	1,090,848	1,042,749
Contribution to Provident and other funds	60,960	50,488
Staff Welfare Expenses	45,974	31,349
Gratuity Provision	18,860	117,740
<b>Total</b>	<b>1,216,642</b>	<b>1,242,326</b>

**CONSOLIDATED NOTES ON ACCOUNTS**

	As at 31-Mar-16	As at 31-Mar-15
	₹	₹
<b>19 OPERATION AND OTHER EXPENSES</b>		
Electricity Charges	–	112,452
Fees, Rates & taxes	1,016,266	2,022,420
Insurance	–	348,494
Repairs & Maintenance - Buildings	2,239,710	805,769
Repairs & Maintenance - Plant and Machinery	952,909	1,143,940
Communication Expenses	17,850	324,223
Travelling Expenses	319,647	1,052,474
Audit Fee	1,959,000	1,988,029
Other Audit expenses	–	295,280
Penalty Fine etc	662,975	2,370,937
Legal ,Professional and Secretarial Expenses	2,658,235	5,702,513
Exchange difference (Net)	27,014,124	21,037,681
Provision for rent receivable	(426,999,283)	18,926,121
Other write offs	–	1,262,045
Investments written off	307,205,343	414,594
Other Expenses	481,986	115,924
Loss on sale of assets	59,714,942	4,292
Commission	1,149,508	–
Bank Charges	60,521	206,179
Other write offs	–	2,197,278
Office Expenses	593,835	349,493
<b>Total</b>	<b>(20,952,432)</b>	<b>60,680,138</b>
<b>20 FINANCE COSTS</b>		
Interest on Term Loan	51,631,104	67,237,382
Interest on Working Capital Loan	–	–
Interest Others	18,311,501	22,897,595
<b>Total</b>	<b>69,942,605</b>	<b>90,134,977</b>
<b>21 DEPRECIATION &amp; AMORTIZATION EXPENSES</b>		
Depreciation	–	25,425,157
Amortisation Expenses	–	–
<b>Total</b>	<b>–</b>	<b>25,425,157</b>

**CONSOLIDATED NOTES ON ACCOUNTS**

	As at 31-Mar-16	As at 31-Mar-15
	₹	₹
<b>22 EXCEPTIONAL ITEMS</b>		
Profit on Sale of Investment	-	-
Prior period Expense	-	5,427,202
Excess provision of IT written off	(1,650,683)	-
Service tax credit written off	-	-
Other exceptional income	-	-
Prior period depreciation due to change in Dep policy	-	5,021,028
Restatement of AP/AR	-	-
Profit on Sale Transfer of Business assets	-	-
Fixed Asset Impirement	-	-
<b>Total</b>	<b>(1,650,683)</b>	<b>10,448,230</b>

(in ₹)

	March 31, 2016	March 31, 2015
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**23 Going Concern**

Holding company has accumulated losses and its net worth has been fully eroded, the Holding company has incurred a net loss during the current and previous years and, the Holding company's current liabilities exceeded its current assets as at the balance sheet date. Holding company is not pursuing its main object of software development and is generating only income from letting out premises owned by it, also the subsidiaries also has stopped their operations. The above factors indicate the existence of a material uncertainty that may cast significant doubt about the Holding company's ability to continue as a going concern.

**24 Discontinuing Operation**

Though there exists material uncertainty that may cast significant doubt about the Holding Company's ability to continue as a going concern, items falling under the fixed asset category, i.e., building and attached furniture and fixtures, which is used for letting out and the holding company is deriving the rental income, Company is not accounting the Fixed assets, other than building, at Net realisable value as required by Accounting Standard 24, Discontinuing Operations and disclosure of other matters is not made.

**25 Basis for preparation of consolidated financial statements**

The consolidated financial statements consist of:

- California Software Company Ltd (Parent company incorporated in India)
- Aspire Communications Private limited (Aspire) incorporated in India, a 100% subsidiary of parent company and its 100% subsidiary Aspire peripherals Private Ltd, Mysore.

All these financial statements have been prepared under the historical cost convention and comply with accounting standards in all material respects. Of the above Aspire Communications P ltd and its subsidiary Aspire peripherals P ltd have stopped their operations entirely.

The consolidated financial statements are prepared in accordance with the Principles and procedures for the preparation and presentation of consolidated financial statements as laid down under AS-21 prescribed by the Institute of Chartered Accountants of India. Consolidated financial statements are prepared using uniform accounting policies.

The financial statements of the parent Company and subsidiaries have been combined on line by line basis by adding together the book values of like items of assets, liabilities, income & expenses after eliminating intra group balances / transactions.

		(in ₹)	
		March 31, 2016	March 31, 2015
<b>26</b>	<b>Use of Estimates</b>		
	The preparation of consolidated financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenue and expenses and disclosure of contingent liabilities as of the date of the financial statements. The estimates and assumptions used in the accompanying consolidated financial statements are based upon the management's evaluations of the relevant facts and circumstances as of the date of the financial statements. Actual results could differ from these estimates.		
<b>27</b>	<b>Revenue Recognition</b>		
	The group companies are not pursuing the main object, ie, software development. Though there is no revenue from principal activities; rental income in parent company is accounted on accrual basis, however in the case continuing defaulters provision is being made on all receivables of more than 270days old. Other receipts are accounted on accrual basis		
<b>28</b>	<b>Contingent Liabilities</b>		
	<b>California Software company Limited</b>		
a.	Guarantees given on behalf of other companies	Nil	Nil
b.	Claims against the company not acknowledged as debt in respect of certain tax matters which are subjudice		
	i) Income Tax	132,001,334	59,220,145
	ii) Service Tax	35,52,977	3,552,977
<b>29</b>	<b>Other Financial Information</b>		
	<b>California Software company Limited</b>		
a)	Sitting fees paid / payable to Directors	117500	0
<b>30</b>	<b>Foreign Currency Transactions</b>		
	Foreign currency transactions including expenses incurred on Trading / Non Trading Overseas offices and revenue accounts of onsite offices are accounted at the exchange rates ruling on the date of transaction. At the year end all monetary assets and liabilities denominated in foreign currency other than investments are restated at the closing exchange rates. Exchange differences arising out of actual payments / realizations and from the year end restatement referred to above are reckoned in the profit and loss account.		
	Translation of Financial Statements of the Overseas Subsidiaries denominated in US dollar to Indian rupee.		
	For the purpose of consolidation, the operation of overseas subsidiaries are considered non integral in nature and on the basis of AS- 9 prescribed by the Institute of Chartered Accountants of India, during the current financial year with effect from 1 April 2005, their assets and liabilities are translated at the year-end exchange rate. The resultant translation adjustment is reflected as a separate component of Shareholders funds as 'Cumulative Translation Reserve'. Only in case of disposal and dissolution of Non Indian Subsidiaries the balance in Currency Translation reserve in relation to the subsidiary will stand transferred to Profit and Loss Account. Income and expenditure are accounted in the consolidated Profit and Loss Account of each year as given below:		
a)	Revenues and expenses are converted into Indian Currency at the average rate prevailing during the year.		
b)	Depreciation on Fixed Assets is converted at the average rate prevailing during the year.		

**CONSOLIDATED NOTES ON ACCOUNTS****31 IMPAIRMENT OF FIXED ASSETS****a. Impairment of Investment**

The Subsidiary Company Aspire Communications Pvt Ltd stopped its activities and other subsidiary company CSWL Inc was liquidated and the Investments made in CSWL Inc was written off during the year.

**b. Impairment of Fixed Assets**

No impairment of Fixed Assets as all Fixed assets of the company were sold during the year.

**32 TRADE RECEIVABLE AND PAYABLES**

Since the company has fully stopped its principal business being Software Development and its sales and service and company have no trade receivables during the year. Trade payables of ₹ 25,63,538/- out of which ₹ 25,49,855 is payable to Associate company Chemoil Energy Limited.

During the Financial Year 2015-16 the company reassessed its Trade receivables and payables accumulated over the years and restated them on a realistic basis. On the basis of above, net write off of bad Debts, other receivables, old Deposits and payables were written off to the extent of ₹ 42,69,99,283/- out of which ₹ 42,36,79,402 relates to CSWL Inc a foreign subsidiary which was liquidated during the year.

**33 RENT RECEIVABLE AND PROVISION**

Nil

**34 INTANGIBLE ASSET**

There are no Intangible asset

**35 TRANSFER PRICING**

As there is no transaction, Transfer pricing is not applicable during the year.

**36 DEFERRED TAXATION**

Since the going concern can't be said to in existence certainly, deferred tax is not recognized on accumulated losses.

**37 UNSECURED LOANS FROM ASSOCIATE COMPANIES**

Holding company has taken unsecured loans as given below from various companies from its parent Group as given below:

SI No.	Name of the company	As on 31/03/2016 ₹	As on 31/03/2015 ₹
1.	Chemoil Advanced Management Services Pvt Ltd	25,15,43,716	107,880,399
3.	Chemoil Information Services Pvt Ltd	23,491,356	2,15,00,000
4.	Chemoil International Pte Ltd	6,92,47,076	2,85,28,883
5.	Chemoil Europe B.V	2,53,97,728	2,40,26,853
6.	Glencore	—	6,50,00,000
<b>Total</b>		<b>3,69,679,876</b>	<b>24,69,36,135</b>

**38 SEGMENT REPORTING**

Nil

**39** The company has stopped entirely its principal activity of providing software development and its sales and services and hence during the year there is no segment wise reporting.

**40 Disclosure under AS 15 revised on Employee benefits****California Software co Ltd**

The holding company has only one employee for whom PF is being provided as per rules. Gratuity of ₹ 135,278 is provided on the basis of Actuarial Valuation. Based on holding company's policy no provision is being made for leave encashment.



## CONSOLIDATED NOTES ON ACCOUNTS

### 41 RELATED PARTY DISCLOSURE

A) Names of related parties and description of relationship	
a) List of related parties where control Exists	
1. California Software company limited	
Companies Having Substantial Interest	Kemoil Limited, Hong Kong Chemoil Energy Limited, Hong Kong
b) Key management personnel	Mr. Fredrick Ivor Bendle
c) List of related parties where no control Exists	
Fellow Subsidiaries of Kemoil Limited	Chemoil corporation USA Chemoil International Pte. Ltd., Singapore Chemoil Energy Limited - Singapore Chemoil Europe B.V., The Netherlands GPS Chemoil LLC (FZC) U.A.E
Subsidiaries of the abovementioned fellow subsidiaries	Chemoil Advanced Management Services Pvt. Ltd. Inatech Info Solutions (P) Ltd. Inatech Solutions UK Inatech ME Inatech Solutions Europe Ltd

	2015-16	2014-15
	₹	₹
B) The above information regarding related parties have been determined to the extent such parties have been identified on the basis of information available with the Holding company.		
1. Chemoil Advanced management Services P Ltd		
Reimbursement of expenses ( electricity Charges)		2,33,188
Interest On loan		8,918,758
Unsecured Loans		107,880,399
Other Payables		28,074,012
2. Chemoil Europe BV		
Unsecured Loans		24,026,853
3. Chemoil Energy Ltd		
Payables		2,412,223
4. Chemoil International Pte Ltd		
Unsecured Loans	37,888,057	28,528,883
5. Chemoil Information Services P Ltd		
Unsecured Loans		21,500,000
Other Payables	1,040,360	2,712,325
6. Glencore India Private Limited		
Unsecured Loans Received / Paid	65,000,000	65,000,000
Interest Received / Paid	12,365,569	8,615,738

### 42 Earnings per share

Basic Earnings Per Share		
	March 31, 2016	March 31, 2015
	₹	₹
Weighted average - No. of shares	12,365,006	12,365,006
Profit after Tax	(11,744,930)	(150,998,500)
Basic Earnings per Share	(0.95)	(12.21)

### 43 Regrouping and rearranging of figures

The previous year figures have been regrouped, rearranged/ amended wherever necessary to conform to the current year's classification.

**CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED**

	March 31, 2016	March 31, 2015
		(in ₹)
<b>CASH FLOW FROM OPERATIONS</b>		
Net profit before tax and extraordinary and prior period items	(11,744,930)	(150,998,500)
Adjustment for:		
Loss on disposal of asset	59,714,942	4,292
Depreciation and Impairments	-	30,446,186
Deferred expenses written off	-	-
Interest Income	0	(85,984)
Interest expense	69,942,605	90,134,977
Investment Write off	-	-
Transfer to reserves		
Minority Interest changes		
<b>TOTAL</b>	<b>117,912,617</b>	<b>(30,499,029)</b>
Adjustment for:		
Current Assets, Loans and Advances	10,066,103	19,177,732
Current Liabilities & Provisions	(197,638,590)	46,195,959
Increase/ Decrease in net current asset	(187,572,486)	65,373,692
Cash generated from operations	(69,659,869)	34,874,662
Current Taxation	-	-
Deferred Taxation		
Other Items to be adjusted	-	-
<b>NET CASH FROM OPERATIONS</b>	<b>(69,659,870)</b>	<b>34,874,661</b>
<b>CASH FLOW FROM INVESTING</b>		
Purchase of fixed Assets net	-	-
Cash generated from sale of asset	360,000,000	184,485
Deferred tax Asset	-	-
Change in Investments	17,500	-
Interest Income	-	85,984
<b>NET CASH USED FOR INVESTING</b>	<b>360,017,500</b>	<b>270,469</b>
<b>CASH FLOW FROM FINANCING</b>		
Loans borrowed ( Net of repayment)	(250,806,819)	(110,000,000)
Deferred tax liability	-	-
Increase in unsecured Loans	122,743,741	136,649,728
Increase in capital		
Increase in Share premium		
Increase / (Decrease) in other reserves	(94,654,235)	16,843,071
Minority Interest changes	-	-
Dividend Tax	-	-
Interest Expense	(69,942,605)	(90,134,977)
Dividend	-	-
<b>NET CASH FROM FINANCING</b>	<b>(292,659,917)</b>	<b>(46,642,178)</b>
<b>Net increase/ decrease in cash or cash equivalents</b>	<b>(2,302,288)</b>	<b>(11,497,047)</b>
Cash & Cash equivalents at the beginning of the year	3,518,152	15,015,199
<b>Cash &amp; Cash equivalents at the close of the year</b>	<b>1,215,864</b>	<b>3,518,152</b>

For N. BALASUBRAMANIAN ASSOCIATES  
Chartered Accountants  
F. No.0355S

N. BALASUBRAMANIAN  
Partner Membership No. 023445

Chennai  
13<sup>th</sup> June, 2016

FREDERICK IVOR BENDLE  
Managing Director & CEO

T R RAMASAMY  
Director

Dr. P J GEORGE  
Director

JITENDRA KUMAR PAL  
Company Secretary

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## Standalone Financial Statements

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1. Auditors' Report
  2. Balance Sheet
  3. Profit and Loss Account
  4. Notes
  5. Cashflow Statement
-

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CALIFORNIA SOFTWARE COMPANY LIMITED

### Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **CALIFORNIA SOFTWARE COMPANY LIMITED** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("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 and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### Opinion

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 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 31<sup>st</sup> March, 2016, and its loss and its cash flows for the year ended on that date.

### Emphasis of Matter

We draw attention to the following matters in the Notes to the financial statements:

1. Note 26 and 27 in the stand alone financial statements which indicate that the Standalone Company has accumulated losses and its net worth has been fully eroded, the Standalone Company has incurred a net loss during the current and previous year(s) and, the Stand alone Company's current liabilities exceeded its current assets as at the balance sheet date. These conditions, along with other matters set forth in Note 26, indicate the existence of a material uncertainty that may cast significant doubt about the Stand alone Company's ability to continue as a going concern.
2. Note No. 30 to the stand alone financial statement regarding write back of Account Payables to CSWL Inc wholly owned subsidiaries of the Standalone Company amounting to ₹ 423679401.74 and the equity shares of the said company amounting to ₹ 307202843/- due to the winding up of the company during the year.
3. Note no. 31 to the standalone financial statement regarding unsecured loans from Associate companies amounting to ₹ 369679876/-
4. Company's Indian subsidiary Aspire Communications P Ltd and it subsidiary Aspire peripherals P Ltd have stopped their operations fully.

Our opinion is not modified in respect of these matters.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, 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" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. 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 purpose 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 and the Cash Flow Statement 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 Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. On the basis of written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f. In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business.
  - g. 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, 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.

For and on behalf of

**N. Balasubramanian Associates**  
Chartered Accountants  
F.No. 0355S

**N. Balasubramanian**  
**Partner**  
Membership No: 023445

Chennai  
13<sup>th</sup> June 2016

### "ANNEXURE A" to the Independent Auditors' Report

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2016:

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
- (c) The title deeds of immovable properties are held in the name of the company.
- (d) During the year the company sold all the fixed assets as such there is no fixed assets as on the date of Balance Sheet.
- 2) The Nature of business of the company does not require it to have any inventory. Hence, the requirement of clause (ii) of paragraph 3 of the said Order is not applicable to the company.
- 3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including 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 with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2016 for a period of more than six months from the date on when they become payable.
- b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute other than those mentioned in the Notes to account.
- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has not been paid during the year.
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of Clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of Clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) In our opinion, the company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of Clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For and on behalf of

**N. Balasubramanian Associates**  
Chartered Accountants  
F.No. 0355S

**N. Balasubramanian**  
**Partner**  
Membership No: 023445

Chennai  
13<sup>th</sup> June 2016

**STANDALONE BALANCE SHEET AS AT 31ST MARCH 2016**

Particulars	Note No.	31.03.2016	31.03.2015
		₹	₹
<b>I. EQUITY AND LIABILITIES</b>			
<b>1. Shareholders' funds</b>			
(a) Share capital	1	123,650,060	123,650,060
(b) Reserve and surplus	2	(404,473,757)	(391,445,212)
(c) Money received against share warrants		-	-
<b>Total</b>		<b>(280,823,697)</b>	<b>(267,795,152)</b>
<b>2. Share application money pending allotment</b>		-	-
<b>3. Non-Current liabilities</b>			
(a) Long-term borrowings	3	-	250,806,819
(b) Deferred tax liabilities (Net)		-	-
(c) Other Long term liabilities		-	-
(d) Long-term provisions		-	-
<b>Total</b>		-	<b>250,806,819</b>
<b>4. Current liabilities</b>			
(a) Short-term borrowings	4	369,679,876	246,936,135
(b) Trade payables	5	2,563,538	402,285,907
(c) Other Current Liabilities	6	1,354,097	199,428,993
(d) Short-term provisions	7	135,278	117,740
<b>Total</b>		<b>373,732,789</b>	<b>848,768,775</b>
<b>TOTAL</b>		<b>92,909,092</b>	<b>831,780,441</b>
<b>II. ASSETS</b>			
<b>1. Non-current assets</b>			
(a) Fixed Assets			
(i) Tangible assets	8	-	419,714,941
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
(b) Non-current investments	9	31,137,969	338,358,312
(c) Deferred tax assets (net)	10	-	-
(d) Long-term loans and advances	11	60,677,278	55,991,053
(e) Other non-current assets		-	-
<b>Total</b>		<b>91,815,248</b>	<b>814,064,306</b>
<b>2. Current assets</b>			
(a) Current investments	12	-	-
(b) Inventories		-	-
(c) Trade receivable	13	-	-
(d) Cash and cash equivalents	14	1,093,844	2,963,804
(e) Short-term loans and advances	15	-	100,627
(f) Other current assets	16	-	14,651,704
<b>Total</b>		<b>1,093,844</b>	<b>17,716,135</b>
<b>TOTAL</b>		<b>92,909,092</b>	<b>831,780,441</b>

Notes referred to above from an integral part of the accounts  
This is the Balance Sheet referred to in our report of even date.

For N. BALASUBRAMANIAN ASSOCIATES  
Chartered Accountants  
F. No.0355S

N. BALASUBRAMANIAN  
Partner Membership No. 023445  
Chennai  
13<sup>th</sup> June, 2016

FREDERICK IVOR BENDLE  
Managing Director & CEO

T R RAMASAMY  
Director

Dr. P J GEORGE  
Director

JITENDRA KUMAR PAL  
Company Secretary

**STANDALONE PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2016**

Particulars	Note No.	31.03.2016	31.03.2015
		₹	₹
I. Revenue from operations	17	0	0
II. Other Income	18	36,804,948	36,285,520
<b>III. Total Revenue (I+II)</b>		<b>36,804,948</b>	<b>36,285,520</b>
<b>IV. Expenses:</b>			
Employee benefits expense	19	1,216,642	1,242,326
Operation and Other Expenses	20	(21,310,795)	55,589,244
Finance Costs	21	69,927,646	90,130,575
Depreciation and amortization Expenses		-	25,425,157
<b>Total Expenses</b>		<b>49,833,493</b>	<b>172,387,303</b>
V Profit before exceptional and extraordinary items and tax (III-IV)		(13,028,545)	(136,101,783)
VI Exceptional Items	22	-	(14,897,649)
VII Profit before extraordinary items and Tax (V-VI)		(13,028,545)	(121,204,134)
VIII Extraordinary items		-	-
IX Profit before Tax (VII-VIII)		<b>(13,028,545)</b>	<b>(121,204,134)</b>
X Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		-	-
(3) Current tax expense relating to prior years		-	-
<b>Total</b>		<b>-</b>	<b>-</b>
XI Profit / (Loss) for the period from continuing Operations (IX-X)		(13,028,545)	(121,204,134)
XII Profit/(Loss) from discontinuing operations		-	-
XIII Tax expense of discontinuing operations		-	-
XIV Profit / (loss) from discontinuing operations (after tax) (XII-XIII)		(13,028,545)	(121,204,134)
XV Profit / (Loss) for the period (XI+XIV)		(13,028,545)	(121,204,134)
XVI Earnings per equity share:			
(1) Basic		(1.05)	(9.80)
(2) Diluted		(1.05)	(9.80)

Notes referred to above from an integral part of the accounts  
This is the Balance Sheet referred to in our report of even date.

For N. BALASUBRAMANIAN ASSOCIATES  
Chartered Accountants  
F. No.0355S

N. BALASUBRAMANIAN  
Partner Membership No. 023445  
Chennai  
13<sup>th</sup> June, 2016

FREDERICK IVOR BENDLE  
Managing Director & CEO

T R RAMASAMY  
Director

Dr. P J GEORGE  
Director

JITENDRA KUMAR PAL  
Company Secretary

**NOTES ON ACCOUNTS**

	As at 31-Mar-16	As at 31-Mar-15		
	₹	₹		
<b>1 SHARE CAPITAL</b>				
<b>A AUTHORISED CAPITAL</b>				
15,000,000 Equity Shares of ₹ 10/- each with equal voting rights	150,000,000	150,000,000		
<b>ISSUED CAPITAL</b>				
123,65,006 Equity Shares of ₹ 10/- each with equal voting rights	123,650,060	123,650,060		
<b>SUBSCRIBED, CALLED UP AND PAID UP CAPITAL</b>				
123,65,006 Equity Shares of ₹ 10/- each with equal voting rights	123,650,060	123,650,060		
Fully Called up and paid up.				
<b>(The paid up share capital includes shares worth ₹ 7,24,920</b>				
which were issued by the company in October 1994 for				
<b>consideration other than cash)</b>				
<b>B Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:</b>				
	No of Shares	No of Shares		
Opening Balance	12,365,606	12,365,606		
Changes During the year	-	-		
Closing Balance	12,365,606	12,365,606		
<b>C Shareholders holding more than 5% of total shares</b>				
	No of Shares	%	No of Shares	%
1 KEMOIL LTD	8743911	70.71	8743911	70.71
	8743911	70.71	8743911	70.71



## NOTES ON ACCOUNTS

<b>2 RESERVE AND SURPLUS</b>		
<b>(A) Capital reserve</b>		
Opening balance	206,250	206,250
Add: Additions during the year		
Less: Utilised / transferred during the year		
Closing balance	206,250	206,250
<b>(B) Securities premium account</b>		
Opening balance	633,084,932	633,084,932
Add : Premium on shares issued during the year		
Less : Utilised during the year for:		
Closing balance	633,084,932	633,084,932
<b>(C) General reserve</b>		
Opening balance	65,864,252	65,864,252
Add: Transferred from surplus in Statement of Profit and Loss		
Less: Utilised / transferred during the year for:		
Closing balance	65,864,252	65,864,252
<b>(D) Surplus / (Deficit) in Statement of Profit and Loss</b>		
Opening balance	(1,090,600,637)	(969,396,503)
Add: Profit / (Loss) for the year	(13,028,545)	(121,204,134)
Amounts transferred from:		
Less: Amount Transferred to		
Closing balance	(1,103,629,182)	(1,090,600,637)
<b>Total</b>	<b>(404,473,757)</b>	<b>(391,445,212)</b>

**NOTES ON ACCOUNTS**

	As at 31-Mar-16	As at 31-Mar-15
	₹	₹
<b>3 LONG-TERM BORROWINGS</b>		
<b>Term loans</b>		
<b>From banks</b>		
Secured		
Canara Bank Building Term Loan	–	250,806,819
<b>Total</b>	–	<b>250,806,819</b>
(Canara Bank term loan are secured by exclusive charge over the building, machinery, +)		
<b>4 SHORT-TERM BORROWINGS</b>		
<b>Loans repayable on demand</b>		
<b>From banks</b>		
Secured	–	–
Unsecured from others		
Glencore-Loan	–	65,000,000
Chemoil AMS Loan Account	–	106,573,915
Chemoil Advanced Management Services Pvt Ltd	251,543,716	1,306,484
Chemoil Information Services Pvt Ltd	23,491,356	21,500,000
Chemoil International Pte Ltd	69,247,076	28,528,883
Chemoil Europe B.V	25,397,728	24,026,853
<b>Total</b>	<b>369,679,876</b>	<b>246,936,135</b>
<b>5 TRADE PAYABLES</b>	2,563,538	402,285,907
<b>6 OTHER CURRENT LIABILITIES</b>		
Term Loan Instalments due within one year	–	92,500,000
Term Loan Instalments overdue for payment	–	18,750,000
Interest accrued but not due on borrowings	–	–
Interest accrued and due on borrowings	–	15,930,209
Income received in advance (Unearned revenue)	–	–
Unpaid dividends*	103,172	215,161
Rent Deposits	–	25,227,174
Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, VAT, Service Tax, etc.)	1,925	–
TDS Payable	156,500	789
CST&VAT	–	–
Other expenses Payable	1,092,500	46,805,661
<b>Total</b>	<b>1,354,097</b>	<b>199,428,993</b>
*Of the above ₹ 51163/- was due for Investor Protection and education fund 29/08/2014. Company transferred the amount on 04/05/2015 and filed necessary forms.		
<b>7 SHORT-TERM PROVISIONS</b>		
Gratuity Provision	135,278	117,740
<b>Total</b>	<b>135,278</b>	<b>117,740</b>

**NOTES ON ACCOUNTS**  
**Tangible Assets**

Note 8

Description	Gross Block			Depreciation / Amortisation			Net Block				
	as at 31-Mar-15	Additions	Deletions / Transfer	as at 31-Mar-16	Upto 31-Mar-15	For the year	Prior period depreciation due to change in Dep policy	Deletions / Transfer	Upto 31-Mar-16	as at 31-Mar-16	as at 31-Mar-15
Land & Buildings	556,546,398	-	556,546,398	-	144,045,090	-	-	144,045,090	-	-	412,501,307
Plant and machinery	48,348,505	-	48,348,505	-	48,348,505	-	-	48,348,505	-	-	-
Office equipment	694,201	-	694,201	-	673,249	-	-	673,249	-	-	20,953
Furniture and fittings	135,110,455	-	135,110,455	-	127,917,773	-	-	127,917,773	-	-	7,192,681
Electrical Fittings	7,856,199	-	7,856,199	-	7,856,199	-	-	7,856,199	-	-	-
Computers and accessories	111,222,626	-	111,222,626	-	111,222,626	-	-	111,222,626	-	-	-
<b>Total</b>	<b>859,778,384</b>	<b>-</b>	<b>859,778,384</b>	<b>-</b>	<b>440,063,442</b>	<b>-</b>	<b>-</b>	<b>440,063,442</b>	<b>-</b>	<b>-</b>	<b>419,714,941</b>

**NOTES ON ACCOUNTS**

	As at 31-Mar-16	As at 31-Mar-15
	₹	₹
<b>9 NON CURRENT INVESTMENTS (AT COST)</b>		
<b>Investment in Unquoted Equity Shares</b>		
<b>In Subsidiaries</b>		
CSWL Inc.U.S.A.(Wholly Owned).	–	307,202,843
9,662,800 ( PY 6,162,800 ) equity shares of \$1 each fully paid up		
Aspire Communications, Mysore, India	31,137,969	31,137,969
2,000,000 equity shares of ₹ 10/- each fully paid up		
<b>Other non-current investments</b>		
Trust money in California Software Employees' Welfare Trust	–	17,500
<b>Total</b>	<b>31,137,969</b>	<b>338,358,312</b>
<b>10 DEFERRED INCOME TAX ASSET</b>		
Carry Forward Loss	–	–
Depreciation	–	–
<b>Total</b>	–	–
<b>11 LONG-TERM LOANS AND ADVANCES</b>		
<b>Security deposits</b>		
Secured, considered good		
Unsecured, considered good	–	2,393,075
Doubtful		
	–	2,393,075
Less: Provision for doubtful deposits	–	–
	–	<b>2,393,075</b>
Loans and advances to related parties		
Secured, considered good		
Unsecured, considered good	–	–
Doubtful		
Less: Provision for doubtful loans and advances	–	–
	–	–
Others	934,543	–
Advance income tax # (net of provisions ₹		
Unsecured, considered good)	59,742,735	53,597,978
<b>Total</b>	<b>59,742,735</b>	<b>53,597,978</b>
	<b>60,677,278</b>	<b>55,991,053</b>

## NOTES ON ACCOUNTS

	As at 31-Mar-16	As at 31-Mar-15
	₹	₹
<b>12 CURRENT INVESTMENTS (AT COST)</b>		
<b>Investment in Unquoted Equity Shares</b>		
	-	-
	-	-
<b>13 TRADE RECEIVABLES</b>		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment #		
Unsecured Considered Good	-	-
Considered Doubtful	-	-
	-	-
Less: Provision for doubtful debts	-	-
<b>Sub Total</b>	-	-
<b>Other Trade receivables</b>		
Unsecured, considered good	-	-
Doubtful	-	-
	-	-
Less: Provision for doubtful trade receivables	-	-
<b>Sub Total</b>	-	-
<b>Grand Total</b>	-	-
<b>14 CASH AND CASH EQUIVALENTS</b>		
(a) Cash on hand	19,907	3,297
(b) Cheques, drafts on hand		
(c) Balances with banks		
(i) In current accounts	970,765	2,739,486
(ii) In EEFC accounts & Foreign banks	-	9,513
(iii) In deposit accounts (Refer Note (i) below)	-	-
(iv) In earmarked accounts		
- Unpaid dividend accounts	103,172	211,508
Balances held as margin money or security against borrowings, guarantees and other commitments other earmarked accounts	-	-
<b>Total</b>	<b>1,093,844</b>	<b>2,963,804</b>

**NOTES ON ACCOUNTS**

	As at 31-Mar-16	As at 31-Mar-15
	₹	₹
<b>15 SHORT-TERM LOANS AND ADVANCES</b>		
Loans and advances to employees		
Secured, considered good		
Unsecured, considered good	-	40,000
Doubtful		
Less: Provision for doubtful loans and advances		
Prepaid expenses - Unsecured, considered good (For e.g. Insurance premium, Annual maintenance contracts, etc.)	-	60,627
Balances with government authorities		
<b>Total</b>	<b>-</b>	<b>100,627</b>
<b>16 OTHER CURRENT ASSETS</b>		
<b>Accruals</b>		
(i) Interest accrued on deposits	-	-
(ii) Interest accrued on investments		
(iii) Interest accrued on trade receivables		
<b>Others</b>		
(i) Insurance claims		
(ii) Other Receivables	-	
(iii) Dividend Receivable		
(iv) Others (specify nature)		
Rent Receivable	-	55,695,442
Less Provisions	-	41,043,738
	-	14,651,704
<b>Total</b>	<b>-</b>	<b>14,651,704</b>
<b>17 REVENUE FROM OPERATIONS</b>		
Sale of products	-	-
Sale of services	-	-
Other operating revenues		
<b>Total</b>	<b>-</b>	<b>-</b>
<b>18 OTHER INCOME</b>		
Other non-operating income comprises:		
Rental income	30,597,878	30,497,921
Interest On FD	-	85,984
Bad debts recovered	6,162,750	-
Miscellaneous income	44,320	5,701,614
<b>Total - Other non-operating income</b>	<b>36,804,948</b>	<b>36,285,520</b>
<b>19 Employee benefits expense</b>		
Salaries & Allowances	1,090,848	1,042,749
Contribution to Provident and other funds	60,960	50,488
Staff Welfare Expenses	45,974	31,349
Gratuity Provision	18,860	117,740
<b>Total</b>	<b>1,216,642</b>	<b>1,242,326</b>

## NOTES ON ACCOUNTS

	As at 31-Mar-16	As at 31-Mar-15
	₹	₹
<b>20 OPERATION AND OTHER EXPENSES</b>		
Electricity Charges	–	112,452
Rates & taxes	999,336	922,234
Insurance	–	348,494
Repairs & Maintenance - Buildings	2,239,710	805,769
Repairs & Maintenance - Plant and Machinery	952,909	1,143,940
Communication Expenses	17,850	324,223
Travelling Expenses	294,777	1,052,474
Audit fee	1,845,000	1,399,720
Other Audit expenses	–	295,280
Penalty, Fine etc	662,975	2,370,937
Legal ,Professional and Secretarial Expenses	2,457,646	4,036,894
Exchange difference (Net)	27,014,124	21,037,681
Payables / Receivables written off	(426,999,283)	876,565
Investments written off	307,205,343	–
Other Expenses	481,986	115,924
Loss on sale of assets	59,714,942	4,292
TDS exces paid	–	414,594
Commission	1,149,508	–
Provision for rent receivable	–	18,926,121
Bank Charges	58,547	150,017
Office Maintenance	593,835	315,198
Excess service credit write off	–	936,436
<b>Total</b>	<b>(21,310,795)</b>	<b>55,589,244</b>
<b>21 FINANCE COSTS</b>		
Interest on Term Loan	51,631,104	67,237,382
Interest on Working Capital Loan	–	–
Interest on Income Tax	–	–
Interest on HP- Loan	–	–
Interest Others	18,296,542	22,893,193
<b>Total</b>	<b>69,927,646</b>	<b>90,130,575</b>
<b>22 EXCEPTIONAL ITEMS</b>		
Prior period Expense	–	5,427,202
(Profit ) / Loss on Sale of Investment	–	–
Restatement of payables	–	(25,345,879)
Prior period depreciation due to change in Dep policy	–	5,021,028
Fixed Asset Impirement	–	–
<b>Total</b>	<b>–</b>	<b>(14,897,649)</b>
<b>23 CAPITAL COMMITMENTS</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances)	–	–

**NOTES ON ACCOUNTS**

	As at 31-Mar-16	As at 31-Mar-15
	₹	₹
<b>24 CONTINGENT LIABILITIES</b>		
24.1 Guarantees given on behalf of other companies	Nil	NIL
24.2 Claims against the company not acknowledged as debt in respect of certain tax matters which are subjudice		
i) Income Tax ( net of deposit)	132,001,334	59,220,145
ii) Service Tax	35,52,977	35,52,977
	<b>31.03.2016</b>	<b>31.03.2015</b>
	₹	₹
<b>25 OTHER FINANCIAL INFORMATION</b>		
25.1 Outstanding Bank Guarantees	0	0
25.2 Reimbursement of travel expenses to Directors	0	0
25.3 Sitting fees paid / payable to Directors	117500	0
<b>26 GOING CONCERN</b>		
<p>Company has accumulated losses and its net worth has been fully eroded, the company has incurred a net loss during the current and previous year(s) and, the company's current liabilities exceeded its current assets as at the balance sheet date. Company is not pursuing its main object of software development and is generating only income from letting out premises owned by it, also the subsidiaries also has stopped their operations. The above factors indicate the existence of a material uncertainty that may cast significant doubt about the company's ability to continue as a going concern.</p>		
<b>27 DISCONTINUING OPERATIONS</b>		
<p>Though there exists material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern, items falling under the fixed asset category, i.e., building and attached furniture and fixtures, which is used for letting out and the company was deriving the rental income, Company sold all its assets during the year.</p>		
<b>28 BASIS FOR PREPARATION</b>		
<p>Financial statements have been prepared under the historical cost convention and comply with accounting standards in all material respects.</p>		
<b>29 IMPAIRMENT OF ASSETS</b>		
a) Impairment of Investment		
<p>The Subsidiary Company Aspire Communications Pvt Ltd stopped its activities and other subsidiary company CSWL Inc was liquidated and the Investments made in CSWL Inc was written off during the year.</p>		
b) Impairment of Fixed Assets		
<p>No impairment of fixed assets as all fixed assets of the company were sold during the year.</p>		



## NOTES ON ACCOUNTS

	31.03.2016	31.03.2015
	₹	₹
<b>30 TRADE RECEIVABLES &amp; PAYABLES</b>		
<p>Since the company has fully stopped its principal business being Software Development and its sales and service company have no trade receivables during the year. Trade payables of ₹ 25,63,538/- out of which ₹ 25,49,855 is payable to Associate company Chemoil Energy Limited.</p>		
<p>During the Financial Year 2015-16 the company reassessed its Trade receivables and payables accumulated over the years and restated them on a realistic basis. On the basis of above, net write off of bad Debts, other receivables, old Deposits and payables were written off for ₹ 42,69,99,283/-out of which ₹ 42,36,79,402 relates to CSWL Inc a foreign subsidiary which was liquidated during the year.</p>		
<b>31 UNSECURED LOAN FROM ASSOCIATE COMPANIES</b>		
<p>Company has taken unsecured loans as given below form various companies from its parent Group as given below:</p>		
Sl. No.	Name of the Company	
1.	Chemoil Advanced Management Services Pvt Ltd	25,15,43,716
2.	Chemoil Information Services Pvt Ltd	23,491,356
3.	Chemoil International Pte Ltd	6,92,47,076
4.	Chemoil Europe B.V	2,53,97,728
5.	Glencore	-
<b>Total</b>		<b>3,69,679,876</b>
		<b>24,69,36,135</b>
<b>32 RENT RECEIVABLE AND PROVISION</b>		
<p>Nil</p>		
<b>33 TRANSFER PRICING</b>		
<p>As there is no transaction, transfer pricing is not applicable during the year.</p>		
<b>34 QUANTITATIVE DETAILS</b>		
<p>Not applicable since the Company is engaged in the business of letting out of Business premises;</p>		
<b>35 AUDITORS' REMUNERATION</b>		
<p>Payments to Auditors comprise the following:</p>		
Statutory Audit	5,00,000	5,00,000
Tax Audit	150,000	150,000
Limited Review and Consolidation	950,000	654720
Internal Audit fee, Certification & other expenses	245,000	95,000
<b>Total</b>	<b>18,45,000</b>	<b>13,99,720</b>
<b>36 VALUE OF IMPORTS ON CIF BASIS</b>		
Capital Goods	Nil	Nil
<b>37 FOREIGN CURRENCY TRANSACTION</b>		
<p>Foreign currency transactions including expenses incurred on Trading / Non Trading Overseas offices and revenue accounts of onsite offices are accounted at the exchange rates ruling on the date of transaction. At the year end all monetary assets and liabilities denominated in foreign currency other than investments are restated at the closing exchange rates. Exchange differences arising out of actual payments / realisations and from the year end restatement referred to above are reckoned in the profit and loss account.</p>		

**NOTES ON ACCOUNTS**

	31.03.2016	31.03.2015
	₹	₹
<b>38 EXPENDITURE IN FOREIGN CURRENCY</b>		
Travelling Expenses	-	713,670
Salaries and Allowances	-	-
License Fees	-	3,528,506
Commission	-	1,735,380
Rent	-	-
Other Expenses	-	847,462
<b>Total</b>	<b>-</b>	<b>6,966,012</b>
<b>39 EARNINGS IN FOREIGN CURRENCY</b>		
Sales	-	Nil
Other Income		5,648,615
<b>40 DIVIDEND REMITTED IN FOREIGN CURRENCY</b>		
Number of Non resident shareholders	Nil	Nil
Dividend remitted during the year ₹	Nil	Nil
Number of shares	Nil	Nil
<b>41 SEGMENT REPORTING</b>		

The company has stopped entirely its principal activity of providing software development and its sales and services and hence current year there is no segment wise reporting.

## NOTES ON ACCOUNTS

	As at 31-Mar-16	As at 31-Mar-15
	₹	₹
<b>42 DISCLOSURE UNDER AS 15 REVISED ON EMPLOYEE BENEFITS</b>		
The company has only one employee for whom PF is being provided as per rules. Gratuity of ₹135,278/- is provided on the basis of Actuarial Valuation. Based on company's policy no provision is being made for leave encashment.		
<b>43 RELATED PARTY DISCLOSURE</b>		
43.1 Names of related parties and description of relationship		
a) List of related parties where control Exists		
Companies Having Substantial Interest	Kemoil Limited, Hong Kong	
Subsidiaries	California Software Laboratories Inc., USA (CSWL) Aspire Communications Private Limited, Mysore	
Subsidiary of Healthnet International Inc, USA California Software Laboratories Inc	Aspiresoft Corporation, USA	
Subsidiary of Aspire Communications Subsidiary of Healthnet International Inc	Aspire Peripherals P Ltd, Mysore Private Limited International Innovations Inc., USA	
b) Key management personnel	Mr.Frederick Ivor Bendle	
c) Other Group Companies		
Fellow Subsidiaries of Kemoil Limited	Chemoil International Pte. Ltd., Singapore Chemoil Energy Limited - Singapore Chemoil Europe B.V., The Netherlands	
Subsidiaries of the abovementioned fellow subsidiaries	Chemoil Advanced Management Services Pvt. Ltd., India Chemoli Information Services Pvt Ltd Inatech InfoSolutions Private Limited, Bangalore Inatech Solutions Ltd, UK Inatech Solutions Egypt, SAE Inatech ME Inatech Solutions Europe Ltd Glencore India Private Limited	

	2015-16	2014-15
	₹	₹
<b>43.2</b> The above information regarding related parties have been determined to the extent such parties have been identified on the basis of information available with the Company.		
<b>RELATED PART TRANSACTIONS</b>		
<b>With subsidiaries</b>		
1. CSWL Inc		
Reimbursement of expenses met by Calsoft		1,161,805
Trade payables Balance (net)		402,285,907
Impairment of Investment	-	-
Investment ( balance)	-	307,202,843
2. Aspire Communications P Ltd		
Other Current Liabilities (net)	-	-
Write off Other Current Liabilities	-	24,851,514
Expenses payable		
Write off Expenses payable	-	494,364
Investment		31,137,969
<b>With other group Companies</b>		
1. Chemoil Advanced management Services P Ltd		
Reimbursement of expenses ( electricity Charges)		2,33,188
Interest On loan	17,820,852	8,918,758
Unsecured Loans	109,605,429	107,880,399
Other Payables		28,074,012
2. Chemoil Europe BV		
Unsecured Loans		24,026,853
3. Chemoil Energy Ltd		
Payables		2,412,223
4. Chemoil International Pte Ltd		
Unsecured Loans	37,888,057	28,528,883
5. Chemoil Information Services P Ltd		
Unsecured Loans		21,500,000
Other Payables		2,712,325
6. Glencore India Private Limited		
Unsecured Loans	65,000,000	65,000,000
Other Payables		8,615,738
<b>44 EARNINGS PER SHARE</b>		
Weighted average - No. of shares	12,365,006	12,365,006
Profit after Tax - ₹	(13,028,545)	(185,560,261)
Basic Earnings per Share - ₹	(1.05)	(15.01)

## NOTES ON ACCOUNTS

45 As at March 31, 2016 there is no interest payable to Micro and Small Enterprises as defined under the Micro Small and Medium Enterprises Development Act, 2006. This information and that disclosed under schedule 11 have been determined to the extent such parties have been identified on the basis of information available with the Company

46 Except in respect of the following there are no statutory dues of Customs Duty, Excise Duty, Cess, Wealth Tax and Income Tax, which have not been deposited on account of a dispute

S.No.	Name of the Statute	Nature of the dues	Amount ₹	Forum where dispute is pending
1	Income Tax Act, 1961	Income Tax ( A.yr 1997-98)	11,27,394	Assessing Officer
2	Income Tax Act, 1961	Income Tax ( A.yr 2000-01)	22,84,617	Assessing Officer
3	Income Tax Act, 1961	Income Tax ( A.yr 2001-02)	15,24,090	Madras High Court
4	Income Tax Act, 1961	Income Tax ( A.yr 2002-03)	33,56,300	Madras High Court
5	Income Tax Act, 1961	Income Tax ( A.yr 2003-04)	12,42,460	Madras High Court
6	Income Tax Act, 1961	Income Tax ( A.yr 2004-05)	12,914,393	Assessing Officer
7.	Income Tax Act, 1961	Income Tax ( A.yr 2006-07)	12,380	Assessing Officer
8	Income Tax Act, 1961	Income Tax & TDS ( A.yr 2007-08)	17,677,960	Assessing Officer
9	Income Tax Act, 1961	Income Tax ( A.yr 2008-09)	5,320,670	Assessing Officer
10	Income Tax Act, 1961	Income Tax ( A.yr 2009-10)	3,786,310	Assessing Officer
12	Income Tax Act, 1961	Income tax (Ay 2010-11)	2,544,460	Assessing Officer
13	Income Tax Act, 1961	Income Tax (AY 2011-12)	48,678,090	Assessing Officer
14	Income Tax Act, 1961	Income Tax (AY 2013-14)	30,361,050	Assessing Officer
14	Income Tax Department	TDS Ward Chennai(FY 2007-08)	2,29,850	TDS Ward 1(1) Chennai
15	Income Tax Department	TDS Ward Chennai(FY 2008-09)	4,76,980	TDS Ward 1(1) Chennai
16	Income Tax Department	TDS Ward Chennai(FY 2009-10)	39,440	TDS Ward 1(1) Chennai
17	Income Tax Department	TDS Ward Chennai(FY 2010-11)	70,650	TDS Ward 1(1) Chennai
18	Income Tax Department	TDS Ward Chennai(FY 2011-12)	1,86,880	TDS Ward 1(1) Chennai
19	Income Tax Department	TDS Ward Chennai(FY 2012-13)	1,51,460	TDS Ward 1(1) Chennai
20	Income Tax Department	TDS Ward Chennai(FY 2013-14)	9,200	TDS Ward 1(1) Chennai
21	Income Tax Department	TDS Ward Chennai(FY 2014-15)	6,700	TDS Ward 1(1) Chennai
		Total IT demand	132,001,334	
	Service Tax	Service Tax	35,52,977 *	Joint Commissioner/ Commissioner of ST

• Based on order dated 27/06/2014 of Joint commissioner of Service tax, Chennai. Company has filed appeal against this order.

### 47. REGROUPING AND REARRANGING OF FIGURES

The previous year figures have been regrouped, rearranged/ amended wherever necessary to conform to the current year's classification.

**STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED**

	March 31, 2016		March 31, 2015	
	₹	₹	₹	₹
<b>A. Cash Flow from Operating Activities</b>				
<b>Profit before Tax</b>		(13,028,545)		(121,204,134)
Adjustment for :				
Depreciation and Fixed Asset Impirement	–		30,446,186	
Investment Impirement	–		–	
Loss on Sale of Assets	59,714,942		4,292	
Net payables written off	–		–	
Profit on Sale of Investments	–		–	
Interest Income	–		(85,984)	
Interest Expense	69,927,646		90,130,575	
		<b>129,642,588</b>		<b>120,495,069</b>
<b>Operating profit before working capital changes</b>		116,614,043		(709,065)
Inventories	–		–	
Non Current Investments	307,220,343			
Sundry Debtors	–		2,011,205	
Loans and Advances	10,066,106		14,251,871	
Current Liabilities	(597779727)	(280,493,278)	37,058,444	53,321,520
<b>Cash Generated from Operating Activities</b>		<b>(163,879,235)</b>		<b>52,612,455</b>
Taxes Paid				
<b>Net Cash from Operating Activities</b>		<b>(163,879,235)</b>		<b>52,612,455</b>
<b>B. Cash flow from Investing Activities</b>				
Purchase of Investments				
Purchase of Fixed Assets		–		–
Profit on settlement of liabilities		–		–
Sale proceeds of Fixed Assets		360,000,000		184,485
Sale proceeds of Invetsments		–		–
Interest Received		–		85,984
<b>Net Cash from Investing Activities</b>		<b>360,000,000</b>		<b>270,469</b>
<b>C. Cash flow from Financing Activities</b>				
Long term loan received				
Long term loan repaid		(250,806,819)		(110,000,000)
Net Increase in packing credit		–		–
Unsecured Loan from Group Companies		122,743,740		136,649,728
Proceeds from Issue of Share Capital				
Share Premium received				
Interest paid		(69,927,646)		(90,130,575)
Dividend paid				
Dividend Tax paid				
<b>Net Cash from Financing Activities</b>		<b>(197,990,725)</b>		<b>(63,480,847)</b>
Net Increase / (decrease) in Cash and Cash Equivalents ( A+B+C)		(1,869,960)		(10,597,923)
Cash and cash equivalents at the beginning of the year		2,963,804		13,561,727
Cash and cash equivalents at the end of the year		1,093,844		2,963,804

As per our Report even date

For N. BALASUBRAMANIAN ASSOCIATES  
Chartered Accountants  
F. No.0355S

N. BALASUBRAMANIAN  
Partner Membership No. 023445  
Chennai  
13<sup>th</sup> June, 2016

FREDERICK IVOR BENDLE  
Managing Director & CEO

T R RAMASAMY  
Director

Dr. P J GEORGE  
Director

JITENDRA KUMAR PAL  
Company Secretary



# CALIFORNIA SOFTWARE COMPANY LIMITED

CIN : L72300TN1992PLC022135

Regd. Office : Robert V Chandran Tower, # 149, Velachery Tambaram Main Road, Pallikaranai, Chennai - 600 100.  
Phone : 044-4282 9000, Email: investor@calsoftgroup.com

## ATTENDANCE SLIP 24<sup>th</sup> ANNUAL GENERAL MEETING

(To be handed over at the entrance of the Meeting Hall)

I/We hereby record my/our presence at the 24<sup>th</sup> Annual General Meeting of the Company to be held at # 2nd Floor, Robert V Chandran Tower, # 149, Velachery Tambaram Main Road, Pallikaranai, Chennai-600 100 at 9.30 a.m. on Wednesday, September, 28, 2016

..... Name of the Shareholder (in Block Letters)	..... Regd. Folio No. (Physical)/I.D. No. (Demat)	..... Name of the Proxy (in Block Letters)	..... Signature of te Shareholder(s)/ or Proxy present
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### ELECTRONIC VOTING PARTICULARS

EVEN (e-Voting Event Manager)	User ID	Password / Pin

Please complete and sign this attendance slip and handover at the entrance of the meeting hall. Only Shareholder(s) or / their proxy with this attendance slip will be allowed entry to the meeting. Duplicate slips will not be issued at the entrance.



(TEAR HERE)

# CALIFORNIA SOFTWARE COMPANY LIMITED

CIN : L72300TN1992PLC022135

Regd. Office : Robert V Chandran Tower, # 149, Velachery Tambaram Main Road, Pallikaranai, Chennai - 600 100.

Phone : 044-4282 9000, Email: investor@calsoftgroup.com

## 24<sup>th</sup> ANNUAL GENERAL MEETING

### PROXY FORM (Form No. MGT-11)

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s): ..... Registered Address: .....

E-mail ID: ..... Folio No. / Client ID and DP ID: .....

1. Name: ..... 2. Name: ..... 3. Name: .....

Address: ..... Address: ..... Address: .....

E-mail Id: ..... E-mail Id: ..... E-mail Id: .....

Signature: ..... or failing him/her Signature: ..... or failing him/her Signature: ..... or failing him/her

I/We ..... residing at ..... being a shareholder/(s) of CALIFORNIA SOFTWARE COMPANY LIMITED hereby appoint..... of ..... of failing him/her .....of.....as my/our Proxy to attend and vote for me/us on my/our behalf at the 24<sup>th</sup> Annual General Meeting of the Company to be held at # 2nd Floor, Robert V Chandran Tower, # 149, Velachery Tambaram Main Road, Pallikaranai, Chennai-600 100 at 9.30 a.m. on Wednesday, September, 28, 2016 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions
1.	To receive, consider and adopt the Balance Sheet as at March 31, 2016 and the Profit and Loss Account for the year ended on that date and the report of the Directors and Auditors thereon.
2.	To appoint a Director in place of Dr. P J George, who retires by rotation and being eligible, offer himself for re-appointment.
3.	To re-appoint M/s. N. Balasubramanian Associates, Chartered Accountants as Statutory Auditors.
4.	Authority to borrow moneys
5.	Service of documents
6.	Appointment of Mr. Mahalingam Vasudevan as an Independent Director.

Signed at ..... this ..... day of ..... 2016

- Note :** a) The form should be signed across the stamp as per specimen signature registered with the Company.  
b) The Proxy Form duly completed must be deposited at the office of the Share Transfer Agents of the Company not less than 48 hours before the time fixed for holding the aforesaid meeting.  
c) The proxy need not be a shareholder of the Company.



**To**

*If undelivered please return to :*

**California Software Co. Ltd.**  
Registered Office & Corporate Office  
Robert V Chandran Tower  
No. 149, Velachery Tambaram Main Road,  
Pallikaranai, Chennai - 600 100  
Tel. : +91-44-42829000  
Fax : +91-44-42829012  
Website: [www.calsoftgroup.com](http://www.calsoftgroup.com)