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ANNUAL REPORT

2017-2018

CORPORATE INFORMATION

Board of Directors

Dr. Mahalingam Vasudevan	: Managing Director & CEO
Dr. V. Manimala	: Executive Director & COO
Mr. Vijayakumar Madhavan	: Executive Director & CFO
Dr. Pasupathy Raju	: Independent Director
Ms. Keerti Saraswat	: Woman Independent Director
Mr. B. Rangarajan	: Independent Director

Registrars and Share Transfer Agent

Integrated Registry Management Services Private Limited
(Unit: California Software Co Ltd)
2nd Floor, Kences Towers,
1, Ramakrishna Street, North Usman Road T Nagar, Chennai - 600017 India
Tel: +91-44- 28140801 to 28140803
Email: yuvraj@integratedindia.in



Secretarial Auditor

Mr. Gourishankar Mishra
Practicing Company Secretary

Financial Auditor

N. Balasubramanian Associates
Chartered Accountants

Stock Exchanges

National Stock Exchange of India Limited
BSE Limited

Contact us

Registered Office & Corporate Office:
California Software Company Limited,
2nd Floor, Unit 9, STPI Building,
5 Rajiv Gandhi Road,
Taramani, Chennai 600113
Contact Nos: +91- 44-3910 3600, 3616-20, 3644-45
Email for shareholders: investor@calsoftgroup.com
Website: www.calsof.com / www.calsoftgroup.com

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CsCloud
CsBigData
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LETTER TO SHAREHOLDERS



Dear Shareholders,

Our story began in Chennai, India in 1992.

Back then it was just a few of us developing specialized enterprising software solutions from a small room.
Fast forward a couple of decades and we're one of the Innovative Technology Solution Provider for clients in the financial markets, wealth management, traffic and telecommunication sectors. We will leverage the global market, lead technological revolutions, establish industry ecosystem and strive to become a top global ITS Enterprise.
This is our vision of active offense, and starting again, we have set a "mission" to reach 1 billion revenue by 2025 and we just keep growing…..

Technical & Professional Services

We provide technical and professional services for key clients and major industries, our goal is to become a full-chain Information Technology Service Provider to Serve regional and global clients

Helping Our Large Customers Transform

Large customers in key industries globally have moved from the concept of digital transformation to actual implementation.
In this round of construction, India's software service companies have gained first-mover advantages.
These changes will become our opportunities to "overtake" our peers.

"Sailing on the same Boat Strategy" headwind to build CsDigital

We are in the process of developing and launching a **"cloud-based software industry park".** CsDigital, to support small IT Enterprises, gather software service ecosystem, enhance the efficiency of local software industry, and support transformation and upgrading and innovation development of traditional enterprises.
The cloud software park has become the vehicle of CsDigital in the offline and online integration services. The supporting local operation team of CsDigital has built the regional operation base covering the key software cities.

"Shares the Same boat" CsCloud Computing

CsDigital will co-construct a new ecosystem for ITS industry CsCloud. which revealed our joint improvements with small technology driven companies in its software developments on cloud computing to improve the quality and efficiency of online development and project management.
Our goal is to become a strategic partner that "shares the same boat", as we further bundle both parties' functions and services.

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LETTER TO SHAREHOLDERS

“Breakthrough in Bottlenecks” CsBigData

Calsoft’s CsBigData can provide enterprises with end-to-end data technology and big data innovation services in the aspects of data strategy consultancy, data platform, data management, data analysis, etc., covering consultancy, implementation, development and other processes.

The premier global market intelligence firm predicts that the big data and analytic market will grow from USD130 billion to USD203 billion from 2016 to 2020. The data application demand and requirements from enterprises are increasing.

Global expertise, local relevance

We may be global, but we haven’t lost our focus. In fact, we think the benefit of our global expertise combined with our local market knowledge makes for something very special.

It’s what enables us to provide outstanding Technical & Professional Services and solutions that are tailored to each region and that deliver truly transformational results for our clients.

Global learning, local implementation

Our software products sit right at the heart of Technical & Professional Services and Solutions, connecting the entire industry end to end.
With our continued global scale investment, you can be sure you're getting best of breed technology that delivers real transformational benefits, like visible cost and time savings, alongside local implementation and service that continues to support your business now and into the future.

Moving Towards Active Offense And “Starting Again” campaign develops, a new round of growth for the Calsoft, has opened “Walk the world, build CsDigital, CsCloud and CsBigData”, we will be on the offense.
The Calsoft‘s future is worth the anticipation!

We are at new starting point to integrate more than 1000 contracting companies, 10000 service providers and 100,000 professionals to achieve our vision and mission, with our core values “Keeping True Heart of Kindness, Determination and Perseverance, Striving for Success, Sharing and Growing with the Customers” that keep us growing and win!
We must firmly and persistently carry forward our values and strive for our continuous progress, and to score a greater victory.

Dear investors, thank you very much for your support to the Company’s growth.

Dr. Mahalingam Vasudevan
Managing Director & CEO





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Notice is hereby given that the Twenty-Six Annual General Meeting of California Software Company Limited will be held on **Saturday, September 29, 2018 at 3.00 PM** at California Software Company Limited, 2nd Floor, Unit 9, STPI Building, 5 Rajiv Gandhi Road, Taramani, Chennai 600113, to transact the following business:

ORDINARY BUSINESS

1. Adoption of Financial Statements along with the Reports of the Board of Directors and of the Auditors thereon

To receive, consider and adopt the Audited Financial Statements (including Audited Consolidated Financial Statements) of the Company for the financial year ended March 31, 2018 together with the Reports of the Board of Directors and of the Auditors thereon.

2. Ratification of Appointment of Auditors

"RESOLVED that pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company hereby ratifies the appointment of M/s. N. Balasubramanian Associates, Chartered Accountants (Firm Regn. No.0355S), as Statutory Auditors of the Company for the financial year 2018-2019 at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors."

SPECIAL BUSINESS

3. Appointment of Dr. Mahalingam Vasudevan as Managing Director and Chief Executive Officer (CEO)

To pass the following resolution as a Special Resolution

To appoint **Dr. Vasudevan Mahalingam (DIN 01608150)** as Managing Director and Chief Executive Officer, who is not liable to retire by rotation, to hold office for a term of five years commencing from December 23, 2017 to December 22, 2022.

"RESOLVED THAT pursuant to and in accordance with the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013, including any statutory modification or re-enactment thereof for the time being in force, ("the Act"), read with Schedule V thereto, and subject to the requisite approval of the Central Government, consent of the Company be and is hereby accorded to the appointment of Dr. Vasudevan Mahalingam (DIN 01608150) as the Managing Director of the Company for a period of 5 (five) years effective December 23, 2017 on the terms and conditions of appointment and remuneration as contained in the draft agreement, material terms of which are set out in the explanatory statement attached to this notice and the Board of Directors be and is hereby authorised to alter and vary such terms of appointment and remuneration as may be agreed upon with Dr. Vasudevan Mahalingam, subject however to the overall ceiling on remuneration specified in the said Schedule V and other applicable provisions of the said Act for the time being in force.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, any of the Directors and/or any of the key managerial personnel of the Company for the time being, be and are hereby jointly or

severally authorized to do all such acts, deeds, matters and things and take such steps which are necessary, expedient or desirable in this regard."

4. Appointment of Ms. Keerti Saraswat as a Woman and Independent Director of the Company

To appoint **Ms. Keerti Saraswat (DIN 08048562)** as a Woman – Independent Director of the company, who is not liable to retire by rotation and to hold office for a term of five years commencing from December 23, 2017 to December 22, 2022.

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"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 made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule IV of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Ms. Keerti Saraswat (DIN 08048562) who was appointed as an Independent Director of the Company with effect from August 14, 2018 to hold office up to the date of this Annual General Meeting in terms of Section 161(1) of the Act, be and is hereby appointed as an Independent Director for a term of five years and to hold office as Independent Director till December 22, 2022.

5. Appointment of Dr. Pasupathy Raju as an Independent Director of the Company

To appoint **Dr. Pasupathy Raju (DIN 08066502)** as an Independent Director of the company, who is not liable to retire by rotation, to hold office for a term of five years commencing from November 14, 2017 to November 13, 2022.

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"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 made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule IV of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Pasupathy Raju (DIN 08066502) who was appointed as an Independent Director of the Company with effect from February 9, 2018 to hold office up to the date of this Annual General Meeting in terms of Section 161(1) of the Act, be and is hereby appointed as an Independent Director for a term of five years and to hold office as Independent Director till November 13, 2022.

6. Appointment of Mr. B. Rangarajan as an Independent Director of the Company

To appoint **B. Rangarajan (DIN 07460246)** as an Independent Director of the company, who is not liable to retire by rotation, to hold office for a term of five years commencing from June, 26, 2018 to June 25, 2023.

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution

"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 made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule IV of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. B. Rengarajan (DIN 07460246) who was appointed as an Independent Director of the Company with effect from June, 26, 2018 to hold office up to the date of this Annual General Meeting in terms of Section 161(1) of the Act, be and is hereby appointed as an Independent Director for a term of five years and to hold office as Independent Director till June 25, 2023

7. Appointment of Dr. Manimala Vasudevan (DIN 01980557) as an Executive Director and Chief Operating Officer (COO)

To appoint **Dr. Manimala Vasudevan (DIN -01980557)** as an Executive Director and Chief Operating Officer, who is not liable to retire by rotation, to hold office for a term of five years commencing from June 8, 2018 to June 07, 2023.

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to and in accordance with the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013, including any statutory modification or re-enactment thereof for the time being in force, ("the Act"), read with Schedule V thereto, and subject to the requisite approval of the Central Government, consent of the Company be and is hereby accorded to the appointment of Dr. Manimala Vasudevan (DIN: 01980557) as the Executive Director and Chief Operating Officer of the Company for a period of 5 (five) years effective June 07, 2018 on the terms and conditions of appointment and remuneration as contained in the draft agreement, material terms of which are set out in the explanatory statement attached to this notice and the Board of Directors be and is hereby authorised to alter and vary such terms of appointment and remuneration as may be agreed upon with Dr. Manimala Vasudevan, subject however to the overall ceiling on remuneration specified in the said Schedule V and other applicable provisions of the said Act for the time being in force.

RESOLVED FURTHER THAT in case of insufficiency of the profit, the remuneration payable to her will be subject to the overall ceiling on remuneration specified in the Schedule V and other applicable provisions of the Act for the time being in force and the period of appointment will be reduced to 3 (three) years.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, any of the Directors and/or any of the key managerial personnel of the Company for the time being, be and are hereby jointly or severally authorized to do all such acts, deeds, matters and things and take such steps which are necessary, expedient or desirable in this regard."

8. Appointment of Mr. Vijayakumar Madhavan (DIN 07892448) as an Executive Director and Chief Financial Officer (CFO)

To appoint Mr. Vijayakumar Madhavan (DIN 07892448) as an Executive Director and Chief Financial Officer, who is not liable to retire by rotation, to hold office for a term of five years commencing from June 8, 2018 to June 07, 2023.

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to and in accordance with the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013, including any statutory modification or re-enactment thereof for the time being in force, ("the Act"), read with Schedule V thereto, and subject to the requisite approval of the Central Government, consent of the Company be and is hereby accorded to the appointment of Mr. Vijayakumar Madhavan (DIN 07892448) as the Executive Director and Chief Financial Officer of the Company for a period of 5 (five) years effective June 07, 2018 on the terms and conditions of appointment and remuneration as contained in the draft agreement, material terms of which are set out in the explanatory statement attached to this notice and the Board of Directors be and is hereby authorised to alter and vary such terms of appointment and remuneration as may be agreed upon with Mr. Vijayakumar Madhavan (DIN 07892448), subject however to the overall ceiling on remuneration specified in the said Schedule V and other applicable provisions of the said Act for the time being in force.

RESOLVED FURTHER THAT in case of insufficiency of the profit, the remuneration payable to him will be subject to the overall ceiling on remuneration specified in the Schedule V and other applicable provisions of the Act for the time being in force and the period of appointment will be reduced to 3 (three) years.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, any of the Directors and/or any of the key managerial personnel of the Company for the time being, be and are hereby jointly or severally authorized to do all such acts, deeds, matters and things and take such steps which are necessary, expedient or desirable in this regard."

9. Ratification of Earlier General Meeting Resolution approved by the Shareholders at the Extra Ordinary General Meeting held on December 23, 2017 towards conversion of unsecured loans into Optionally Convertible Redeemable Preference Shares (OCRPS)

To consider and if though fit, the following resolution as a special resolution

RESOLVED THAT further to the approval of the Members at the Extra Ordinary General Meeting dated December 23, 2017 and with a view to provide complete disclosure and seek ratification of disclosures based on input received from stock exchanges, the resolution as earlier approved whose content along with explanatory statement is reproduced and repeated and additional information provided, preferential allotment pursuant to Section 23, 42, 62 and all other applicable provisions, if any, of the Companies Act, 2013 and in accordance with the Securities And Exchange Board Of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (hereinafter referred to as "SEBI (ICDR) Regulations") be and hereby approved and ratification granted related to the allotment made and for all the details including disclosure in explanatory statement related to Objects of the preferential issue, Intention of the Promotors , Directors , Key Management Personnel to subscribe to the offer, Pre and post share holding pattern of the company, Details of the ultimate beneficial owners of the allotee and Tenure of OCRPS in relation to allotment of 35,10,800 (Thirty Five Lakhs Ten Thousand and Eight Hundred Only) Optionally Convertible Redeemable Preference Shares of face value of Rs.10/- each at a price of Rs. 100/- each (which includes premium of Rs.90) (herein after referred to as "OCRPS") to the Chemoil Advanced Management Services Private Limited, which is convertible into, upto 35,10,800 (Thirty Five Lakhs Ten Thousand and Eight Hundred Only) equity shares of face value of Rs. 10/- each at a price being not lower than the minimum price calculated in accordance with the Regulations for Preferential Issue contained in Chapter VII of SEBI (ICDR) Regulations 2009

EARLIER GENREAL MEETING SPECIAL RESOLUTION AS REPROUCED BELOW FOR RATIFICATION PURPOSE:

"RESOLVED THAT pursuant to provisions of Section 23, 42, 62 and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof for the time being in force) and in accordance with the Securities And Exchange Board Of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (hereinafter referred to as "SEBI (ICDR) Regulations") and other Regulations/Guidelines issued by the Securities and Exchange Board of India (SEBI) and other applicable laws/rules, as may be required, and subject to all necessary approvals, consents, permission and/or sanctions of the Government of India, Reserve Bank of India, Foreign Investment Promotion Board, SEBI and/or any other competent authorities and the enabling provisions of the Memorandum of Association and Articles of Association of the Company and the Listing Agreement entered into by the Company with Stock Exchanges where the shares of the Company are listed and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, consents, permissions or sanctions and which may be agreed to by the Board of Directors of the Company and subject to such terms and conditions as may be determined by the Board of Directors of the Company (hereinafter referred to as "the Board" which expression shall include any Committee which the Board may constitute to exercise its powers including powers conferred by this Resolution), the consent and approval of the Company be and is hereby accorded to the Board and the Board be and is hereby authorized in its absolute discretion to offer, issue and allot on preferential basis to;

a. 35,10,800 (Thirty Five Lakhs Ten Thousand and Eight Hundred Only) Optionally Convertible Redeemable Preference Shares of face value of Rs.10/- each at a price of Rs. 100/- each (which includes

premium of Rs.90) (herein after referred to as "OCRPS") to the Chemoil Advanced Management Services Private Limited, which is convertible into, upto 35,10,800 (Thirty Five Lakhs Ten Thousand and Eight Hundred Only) equity shares of face value of Rs. 10/- each at a price being not lower than the minimum price calculated in accordance with the Regulations for Preferential Issue contained in Chapter VII of SEBI (ICDR) Regulations as amended.

The details of the securities to be issued are as follows:

Name of Applicant (Proposed Allottee)	Maximum No of OCRPS proposed to be allotted
Non-Promoter Chemoil Advanced Management Services Private Limited	35,10,800

RESOLVED THAT pursuant to provisions of Section 62(3) & 42 of the Companies Act, 2013 or such other provisions as may be applicable and rules made thereunder, consent of the members be and is hereby accorded for converting loan of Chemoil Advanced Management Services Private Limited of Rs. 35,10,80,000/- (Rupees Thirty Five Crores Ten Lakhs Eighty Thousand Only) into 35,10,800 (Thirty Five Lakhs Ten Thousand and Eight Hundred Only) Optionally Convertible Redeemable Preference Shares of face value of Rs.10/- each at a price of Rs. 100/- each (which includes premium of Rs. 90).

RESOLVED FURTHER THAT the aforesaid OCRPS be converted at the option of the issuer at any time within 18 (eighteen) months from the date of issue, in one or more than one tranche.

RESOLVED FURTHER THAT the equity shares, OCRPS, equity shares on conversion of the OCRPS, to be so created, offered, issued and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company;

RESOLVED FURTHER THAT the equity shares to be allotted, equity shares to be allotted on conversion of OCRPS, shall rank pari passu in all respects with the existing equity shares of the Company including Dividend;

RESOLVED FURTHER THAT In the event of the Company making a bonus issue of shares or making rights issue of shares or any other securities in whatever proportion or any corporate action prior to the exercise of the rights attached to the OCRPS, the entitlement of the holders shall stand augmented in the same proportion in which the equity share capital of the company increases as a consequence of such bonus/rights issues or any corporate action and that the exercise price of the OCRPS to be adjusted accordingly, subject to such approvals as may be required.

RESOLVED FURTHER THAT the Relevant Date, as stipulated in the Regulation 73(4) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 for determination of the Issue Price of equity shares, equity shares on conversion of OCRPS, warrants, shall be thirty (30) days prior to the date of this Meeting or in the case where the Relevant Date falls on Weekend/Holiday, the day preceding the Weekend/Holiday will be reckoned to be the Relevant Date;

RESOLVED FURTHER THAT the Board be and is hereby authorized to approve the other terms and conditions of the issue and also to vary, alter or modify any of the terms and conditions in the proposal as may be required by the agencies/authorities involved in such issues but subject to such conditions as the Reserve Bank of India (RBI)/Securities and Exchange Board of India (SEBI)/Financial Institutions/Investment Institutions and/or such other appropriate authority may impose at the time of their approval and as agreed to by the Board;

RESOLVED FURTHER THAT the equity shares, the equity shares on conversion of the OCRPS of the company to be allotted, be listed on the stock exchanges where the shares of the Company are listed and that the Board be and is hereby authorised to make the necessary applications and to take all other steps as may be necessary for the approval of allotment of the equity shares, equity shares on conversion of the OCRPS of the Company and listing of the equity shares, equity shares on conversion of the OCRPS of the Company and for the admission of such equity shares of the Company with the depositories, i.e.,

NSDL & CDSL, and for the credit of such equity shares to the holders dematerialized securities account.

RESOLVED FURTHER THAT for the purpose of creating, issuing, offering and allotting the equity shares, OCRPS, equity shares on conversion of the OCRPS of the Company the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, desirable or appropriate to give effect to this resolution in all respects and in particular to settle any questions, difficulties or doubts that may arise with regard to the offering, issuing and allotting of equity shares, OCRPS, equity shares on conversion of the OCRPS of the Company, as it may, in its absolute discretion, deem fit and proper.

RESOLVED FURTHER THAT the Board of Director of the Company be and is hereby authorized to finalise with the Chemoil the terms of the aforesaid conversion of unsecured loan into the Optionally Convertible Redeemable Preference Shares of the Company.

RESOLVED FURTHER THAT the Board is also authorized to do such acts, deeds, matters and things as may be required to give effect to the said conversion.

By order of the Board
For California Software Company Limited

Dr. Mahalingam Vasudevan
Managing Director

Chennai
August 31, 2018

Notes:

1. The relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts concerning the business under Item Nos. 3 to 10 of the Notice, is annexed hereto. The relevant details as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, of the person seeking appointment/re-appointment as Director under Item No. 3 and 9 of the Notice, are also annexed.

2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT ANOTHER PERSON AS HIS PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/ HERSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED WITH THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE SCHEDULED TIME OF THE MEETING**. A person can act as a proxy on behalf of members not exceeding 50 (fifty) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or member.

3. Corporate Members intending to send their authorized representative(s) are requested to send a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting.

4. In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.

5. Members, Proxies and Authorised Representatives are requested to bring to the meeting, the Attendance Slip enclosed herewith, duly completed and signed, mentioning therein details of their DP ID and Client ID / Folio No. along with their copy of Annual Report.

6. Register of Members and Share Transfer Books of the Company will be closed from 27.09.2018 to 29.09.2018 (both days inclusive) for the purpose of Annual General Meeting.

7. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their depository participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents, M/s. Integrated Registry Management Services Pvt. Ltd. to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to Integrated Registry Management Services Pvt. Ltd.., (Unit – California Software Company Limited) 2nd Floor, Kences Towers, 1, Ramakrishna Street, North Usman Road, T.Nagar, Chennai-600017, quoting correct Folio Number.

8. The Company has transferred the unpaid or unclaimed dividends declared up to the financial year 2009- 10, from time to time, to the Investor Education and Protection Fund (IEPF) established by the Central Government. The amount of dividend which remains unclaimed for a period of 7 years would be transferred to the IEPF. Accordingly, the proposed date for the transfer of unclaimed dividend by the Company for the year 2010-11 to IEPF.

9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / M/s. INTEGRATED REGISTRY MANAGEMENT SERVICES PRIVATE LIMITED.

10. Electronic copy of the Annual Report of the 26th Annual General Meeting of the Company inter alia indicating the process and manner of electronic voting ('e-voting') along with Attendance Slip, Proxy Form and Route Map is being sent to all the members whose email IDs are registered with the Company/ Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 26th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip,

Proxy Form and Route Map is being sent in the permitted mode.

11. Members may note that Notice of the 26th Annual General Meeting of the Company, Annual Report, Attendance Slip, Proxy Form and e-voting instructions are also available on the Company's websites www. calsoftgroup.com and www.calsof.com

12. The relevant details as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered with Stock Exchange of person seeking appointment/re-appointment as Director is also annexed and forms part of this Notice.

13. All the material documents, Resolutions, Memorandum and Articles of Association of the Company etc. are open for inspection to the members during the office hour of all working day till the conclusion of the Annual General Meeting at the registered office of the Company.

14. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

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 Gouri Shanker Mishra, Practicing 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 share holders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date being September 22, 2018.

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 above. Click Login.

(v) Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination there of. 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 one-Voting: Active E voting 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 vijayslsl@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)

a. Initial password is provided as below/at the bottom of attendance Form.

R EVEN (Remote e-Voting Event Number	(ii) USER ID	PASSWORD/PIN

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

(C) Other instructions

a. 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

b. If you are already registered with NSDL for e-voting then you can use your existing user ID and password for casting your vote.

c. 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).

d. The e-Voting period commences on Wednesday, the September 26 (10:00am) and ends on Friday, September28, 2018 (5:00pm). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of September 28, 2018, may cast their vote electronically. The e-Voting module shall be disabled by NSDL for voting thereafter. Once the vote on are solution is cast by the member, the member shall not be allowed to change it.

e. 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.

f. 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 and www.calsof.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.

All documents referred to in the accompanying Notice and the Explanatory Statements are open for inspection at the Registered Office of the Company between 10.00A.M. and 1.00 P.M. on working days upto September 28,2018.

Affixing statement under Section 102(2) of the Companies Act,2013 is applicable, since special business is proposed to be transacted at the Annual General Meeting.

ANNEXURE TO ITEMS 2 OF THE NOTICE

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

Name of the Director	**DR. VASUDEVAN MAHALINGAM**
Director Identification Number (DIN)	01608150
Nationality	INDIAN
Date of Appointment on Board	12/08/2016
Qualification	M. Pharm., Ph.D.,
Shareholding in the Company	44.77%
List of Directorship held in other Companies (excluding foreign, private and Section 8 Companies)	NIL
Memberships/Chairmanships of Audit and Stakeholders Relationship Committees across Public Companies.	NIL

Name of the Director	**Ms. KEERTI SARSWAT**
Director Identification Number (DIN)	08048562
Nationality	INDIAN
Date of Appointment on Board	23/12/2017
Qualification	B. Sc, MBA., NISM
Shareholding in the Company	NIL
List of Directorship held in other Companies (excluding foreign, private and Section 8 Companies)	NIL
Memberships/Chairmanships of Audit and Stakeholders Relationship Committees across Public Companies.	NIL

Name of the Director	**Dr. PASUPATHY RAJU**
Director Identification Number (DIN)	08066502
Nationality	INDIAN
Date of Appointment on Board	14/11/2017
Qualification	MBBS., MS
Shareholding in the Company	NIL
List of Directorship held in other Companies (excluding foreign, private and Section 8 Companies)	NIL
Memberships/Chairmanships of Audit and Stakeholders Relationship Committees across Public Companies.	NIL

Name of the Director	Mr. B RANGARAJAN
Director Identification Number (DIN)	07460246
Nationality	INDIAN
Date of Appointment on Board	26/06/2018
Qualification	COMMERCE GRADUATE
Shareholding in the Company	NIL
List of Directorship held in other Companies (excluding foreign, private and Section 8 Companies)	MAVEN CORPORATE SOLUTIONS PRIVATE LIMITED
Memberships/Chairmanships of Audit and Stakeholders Relationship Committees across Public Companies.	NIL

Name of the Director	Dr. MANIMALA VASUDEVAN
Director Identification Number (DIN)	01980557
Nationality	INDIAN
Date of Appointment on Board	08/06/2018
Qualification	M. Sc., Ph.D.,
Shareholding in the Company	NIL
List of Directorship held in other Companies (excluding foreign, private and Section 8 Companies)	GLOBAL ALLIED PHARMACEUTICALS PVT LTD ROXAANE RESEARCH PRIVATE LIMITED HYSYNTH BIO TECHNOLOGIES Pvt.ltd
Memberships/Chairmanships of Audit and Stakeholders Relationship Committees across Public Companies.	NIL

Name of the Director	MR. VIJAYAKUMAR MADHAVAN
Director Identification Number (DIN)	07892448
Nationality	INDIAN
Date of Appointment on Board	08/06/2018
Qualification	M.C.A.,M.B.A., A.S.M., P.G.D.B.A.,P.G.D.F.M.,
Shareholding in the Company	NIL
List of Directorship held in other Companies (excluding foreign, private and Section 8 Companies)	GLOBAL ALLIED PHARMACEUTICALS Pvt Ltd ROXAANE RESEARCH PRIVATE LIMITED CHEMOIL ADVANCED MANAGEMENT SERVICES PRIVATE LIMITED HYSYNTH BIO TECHNOLOGIES PRIVATE LTD
Memberships/Chairmanships of Audit and Stakeholders Relationship Committees across Public Companies.	NIL

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("Act")

As required under Section 102 of the Companies Act, 2013 ("Act"), the following explanatory statement sets out all material facts relating to business mentioned under Item Nos. 2 to 11 of the accompanying Notice:

Item No. 3: Appointment of Dr. Mahalingam Vasudevan as Managing Director and Chief Executive Officer (CEO)

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, appointed Dr. Vasudevan Mahalingam (DIN 01608150) as a Managing Director and Chief Executive Officer, who is not liable to retire by rotation, to hold office for a term of five years commencing from December 23, 2017 to December 22, 2022.

At the meeting of the Board of Directors held on December 23, 2017, Dr. Vasudevan Mahalingam was appointed, as the Managing Director of the Company for a period of 5 (five) years from December 23, 2017, subject to the approval of the shareholders and of the Central Government.

The material terms of appointment and remuneration as contained in the draft agreement are given below:

I. Dr. Vasudevan Mahalingam shall, as the Managing Director and Chief Executive Officer, be Head of the Management Team and shall, subject to the supervision and control of the Board of Directors, be responsible for the overall conduct and functioning of the Company.

II. Remuneration

a. Annual Gross Compensation (which includes basic, HRA, other allowances and commission etc.) is Rs. 12,00,000/- (Rupees Twelve Lakhs only). The annual increment will be merit based and take into account the Company's performance.

b. Retrials: Company's contribution to Provident Fund, to the extent these either singly or together, not taxable under the Income Tax Act; Gratuity payable as per the rules of the Company and encashment of leave at the end of tenure shall not be included in the computation of the limits for the remuneration or perquisites mentioned above.

c. Minimum remuneration: Notwithstanding anything to the contrary herein contained where in any financial year during the currency of the tenure of the Managing Director, the Company has no profits or inadequate profits, the Company will, subject to applicable laws and such sanctions and approvals as may be required, pay remuneration as provided herein above.

III. The terms and conditions of the said appointment and agreement may be altered and varied from time to time by the Board, as it may, in its discretion, deem fit within the maximum amount payable to Managing Director, subject to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 for the time being in force, read with Schedule V thereto as amended from time to time.

Dr. Vasudeven Mahalingam holds a Doctorate Degree in Pharmaceutical Science from The Dr. MGR Medical University, Chennai and he has over 28 years of professional experience in the global technology sector, thereby gaining rich experience in consulting engagements and management of large-scale technology programs as well as operations. At Calsoft, he is responsible for driving excellence in service delivery, governance of key programs and initiatives as well as enterprise-wide compliance.

Even though Dr. Vasudevan Mahalingam is an Indian Citizen, he has not been a resident of India as stipulated under Part 1 (e) of Schedule V to the Act and hence the Company is in the process of making an application to the Central Government for its approval to his appointment as Managing Director as required under law.

The Board recommends the passing of the resolution set out at Item No.3 of the Notice.

Copy of the draft agreement referred to in the Resolution and other documents relating to the above item of business will be available for inspection without any fee by the Members at the registered office of the Company during normal business hours on any working day, from the date of dispatch until the last date for receipts of votes by e-voting.

Dr. Vasudevan holds 5336673 shares in the Company.

Except Dr. Vasudevan and his spouse Dr. Manimala Vasudevan, and his relatives, none of the other Directors and Key Managerial Personnel of the Company and their respective relatives is, in any way, concerned or interested, in the Resolution set out at Item No. 3 of this Notice.

Item No. 4: Appointment of Ms. Keerti Saraswat as a Woman and Independent Director of the Company

To appoint **Ms. Keerti Saraswat (DIN 08048562)** as a Woman – Independent Director of the company, who is not liable to retire by rotation, to hold office for a term of five years commencing from December 23, 2017 to December 22, 2022.

The Board of Directors of the Company, on the recommendations of the Nomination and Remuneration Committee has appointed Mrs. Keerti Saraswat (DIN 08048562) as an Additional Director of the company with effect from December 23, 2017 under the category of Independent Director, pursuant to the provisions of Section 161 and 149 of the Act and Articles of the Association of the Company.

Ms. Keerti Saraswat serves on advisory boards for several non-profit organizations, venture capital firms and high-tech start-up companies.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Ms. Keerti Saraswatas Woman - Independent Director is now being placed before the Members for their approval.

In the opinion of the Board, she fulfills the conditions specified in the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 for their appointment as an Independent Director of the Company and is independent of the management.

The Board considers that based on theirs varied experiences, their association would be of immense benefit to the Company. It is therefore proposed to appoint Mrs. Keerti Saraswat, as an Independent Non-Executive Directors on the Board of the Company for a term of five years from December 23, 2017 and ending on December 22, 2022.

In accordance with the provisions of Sections 149 and 152 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014, an Independent Director shall not be liable to retire by rotation. The Company has received the following from Mrs. Keerti Saraswat.

(i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment and Qualification of Directors) Rules, 2014,

(ii) intimation in Form DIR-8 pursuant to Companies (Appointment and Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Section 164(2) of the Act and

(iii) a declaration to the effect that he meets the criteria of independence as provided Section 149(6) of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The

Company has also ensured that he is not debarred from holding the office by virtue of any SEBI order or any other authority.

The Company has received a notice in writing from a member under Section 160 of the Act proposing the candidature Ms. Keerti Saraswat for the appointment as an Independent Directors of the Company.

As an Independent Directors shall be entitled to sitting fee for attending Board/ Committee meetings and commission, if any, paid in terms of the provisions of the Act.

The terms and conditions of his appointment are available for inspection and also place on website of the Company.

The Board recommends the Resolution at Item No. 4 of this Notice for approval of the Members. Except Ms. Keerti Saraswat and her relatives, none of the Directors and Key Managerial Personnel of the Company and their respective relatives is, in any way, concerned or interested, in the Resolution set out at Item No. 4 of this Notice.

Item No. 5: Appointment of Dr. Pasupathy Raju as an Independent Director of the Company

To appoint **Mr. Pasupathy Raju (DIN 08066502)** as an Independent Director of the company, who is not liable to retire by rotation, to hold office for a term of five years commencing from November 14, 2017 to November 13, 2022.

The Board of Directors of the Company, on the recommendations of the Nomination and Remuneration Committee has appointed Mr. Pasupathy Raju (DIN 08066502) as an Additional Director of the company with effect from November 14, 2017 under the category of Independent Director, pursuant to the provisions of Section 161 and 149 of the Act and Articles of the Association of the Company.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mr. Pasupathy Raju (DIN 08066502) as anIndependent Director is now being placed before the Members for their approval.

In the opinion of the Board, she fulfills the conditions specified in the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 for their appointment as an Independent Director of the Company and is independent of the management.

The Board considers that based on theirs varied experiences, their association would be of immense benefit to the Company. It is therefore proposed to appoint Mr. Pasupathy Raju, as an Independent Non-Executive Directors on the Board of the Company for a term of five years from November 14, 2017 and ending on November 13, 2022.

In accordance with the provisions of Sections 149 and 152 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014, an Independent Director shall not be liable to retire by rotation. The Company has received the following from Mr. Pasupathy Raju.

(i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment and Qualification of Directors) Rules, 2014,

(ii) intimation in Form DIR-8 pursuant to Companies (Appointment and Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Section 164(2) of the Act and

(iii) a declaration to the effect that he meets the criteria of independence as provided Section 149(6) of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has also ensured that he is not debarred from holding the office by virtue of any SEBI order or any other authority.

The Company has received a notice in writing from a member under Section 160 of the Act proposing the candidature Mr. Pasupathy Raju for the appointment as an Independent Directors of the Company.

As an Independent Directors shall be entitled to sitting fee for attending Board/ Committee meetings and commission, if any, paid in terms of the provisions of the Act.

The terms and conditions of his appointment are available for inspection and also place on website of the Company.

The Board recommends the Resolution at Item No. 5 of this Notice for approval of the Members. Except

Mr. Pasupathy Raju and his relatives, none of the Directors and Key Managerial Personnel of the Company and their respective relatives is, in any way, concerned or interested, in the Resolution set out at Item No. 5 of this Notice.

Item No. 6: Appointment of Mr. B. Rangarajan as an Independent Director of the Company

To appoint **Mr. B Rangarajan (DIN 07460246**) as an Independent Director of the company, who is not liable to retire by rotation, to hold office for a term of five years commencing from June 26, 2018 to December 25, 2023.

The Board of Directors of the Company, on the recommendations of the Nomination and Remuneration Committee has appointed Mr. B. Rangarajan (DIN 07460246) as an Additional Director of the company with effect from July 26, 2018 under the category of Independent Director, pursuant to the provisions of Section 161 and 149 of the Act and Articles of the Association of the Company.

Mr. B. Rangarajan holds a Commerce Graduate. He serves on advisory boards for several Companies, he has good knowledge in accounts and stock market functioning. In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mr. B. Rengarajan as Independent Director is now being placed before the Members for their approval.

In the opinion of the Board, he fulfills the conditions specified in the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 for their appointment as an Independent Director of the Company and is independent of the management.

The Board considers that based on theirs varied experiences, their association would be of immense benefit to the Company. It is therefore proposed to appoint Mr. B. Rangarajan, as an Independent Non-Executive Directors on the Board of the Company for a term of five years from July 26, 2018 and ending on July 25, 2023.

In accordance with the provisions of Sections 149 and 152 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014, an Independent Director shall not be liable to retire by rotation. The Company has received the following from Mr. B. Rengarajan

(i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment and Qualification of Directors) Rules, 2014,

(ii) intimation in Form DIR-8 pursuant to Companies (Appointment and Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Section 164(2) of the Act and

(iii) a declaration to the effect that he meets the criteria of independence as provided Section 149(6) of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has also ensured that he is not debarred from holding the office by virtue of any SEBI order or any other authority.

The Company has received a notice in writing from a member under Section 160 of the Act proposing the candidature Mr. B. Rangarajan for the appointment as an Independent Directors of the Company.

As an Independent Directors shall be entitled to sitting fee for attending Board/ Committee meetings and commission, if any, paid in terms of the provisions of the Act.

The terms and conditions of his appointment are available for inspection and also place on website of the Company. The Board recommends the Resolution at Item No. 5 of this Notice for approval of the Members. Except Mr. B. Rangarajan and his relatives, none of the Directors and Key Managerial Personnel of the Company and their respective relatives is, in any way, concerned or interested, in the Resolution set out at Item No. 5 of this Notice.

Item No 7: Appointment of Dr. Manimala Vasudevan (DIN 01980557) as an Executive Director and Chief Operating Officer (COO)

To appoint **Dr. Manimala Vasudevan (DIN 01980557)** as an Executive Director and Chief Operating Officer, to hold office for a term of five years commencing from June 08, 2017 to June 07, 2023.

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, appointed Dr. Manimala Vasudevan (DIN -01980557) an Executive Director and Chief Operating Officer of the Company with effect from August 14, 2018. Pursuant to the provisions of Section 161(1) of the Act and Article 73 of the Articles of Association of the Company, she holds office up to the date of this AGM and is eligible to be appointed as Executive Director. The Company has, in terms of Section 160(1) of the Act, received in writing a notice from a member, proposing his candidature for the office of Director.

Dr. Manimala Vasudevan holds a Doctorate in Pharmacokinetics and Clinical Research Dr. MGR University, Chennai. A professional with over 25 years of experience in the Pharmacovigilance, Clinical Data Management, Clinical Data Analytics, thereby gaining rich experience in consulting engagements and management of large-scale technology programs as well as operations involved in Clinical Research. At Calsoft, she is responsible for driving excellence in service delivery involved in health care sectors, governance of key programs and initiatives as well as enterprise-wide compliance.

Further details of Dr. Manimala Vasudevan have been given in the Annexure to this Notice.

The Board recommends the Resolution at Item No. 7 of this Notice for approval of the Members.

Except Dr. Manimala Vasudevan and her spouse Dr. Vasudevan Mahalingam, and her relatives, none of the Directors and Key Managerial Personnel of the Company and their respective relatives is, in any way, concerned or interested, in the Resolution set out at Item No. 7 of this Notice.

Item No 8: Appointment of Mr. Vijayakumar Madhavan (DIN 07892448) as an Executive Director and Chief Finance Officer (CFO)

To appoint **Mr. Vijayakumar Madhavan (DIN 07892448)** as an Executive Director and Chief Financial Officer, to hold office for a term of five years commencing from June 08, 2017 to June 07, 2023.

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, appointed Mr. Vijayakumar Madhavan (DIN 07892448)an Executive Director and Chief Financing Officer of the Company with effect from August 14, 2017 pursuant to the provisions of Section 161(1) of the Act and Article 73 of the Articles of Association of the Company, he holds office up to the date of this AGM and is eligible to be appointed as Executive Director, whose office shall be liable to retire by rotation. The Company has, in terms of Section 160(1) of the Act, received in writing a notice from a member, proposing his candidature for the office of Director.

Mr. Vijayakumar Madhavan holds a post graduate degree. A professional with over 25 years of experience in in Business Analyst, Testing and Validation of software's and Finance management. At Calsoft, he is responsible for driving excellence in testing and validation of various applications and products Further details of Mr. Vijayakumar Madhavan have been given in the Annexure to this Notice.

The Board recommends the Resolution at Item No. 8 of this Notice for approval of the Members.

Except Mr. Vijayakumar Madhavan, and his relatives, none of the Directors and Key Managerial Personnel of the Company and their respective relatives is, in any way, concerned or interested, in the Resolution set out at Item No. 8 of this Notice.

Item No. 9: Ratification of Earlier General Meeting resolution approved by the Shareholders at the Extra Ordinary General Meeting held on December 23, 2017 towards conversion of unsecured loans into Optionally Convertible Redeemable Preference Shares (OCRPS)

The Company has obtained the approval of the members at the Extra Ordinary General Meeting dated December 23, 2017 for conversion of unsecured loan of Rs. 35,10,80,000/-(Rupees Thirty-Five Crores Ten Lakhs Eighty Thousand Only) taken from Chemoil Group of Companies (Chemoil Advanced Management Services Private Limited, Chemoil International Pte Limited and Chemoil Europe B.V) into Optionally Convertible Redeemable Preference Shares of the Company and allotment of 35,10,800 (Thirty Five Lakhs Ten Thousand and Eight Hundred Only) Optionally Convertible Redeemable Preference Shares of face value of Rs.10/- each at a price of Rs. 100/- each (which includes premium of Rs.90) (herein after referred to as "OCRPS") to the Chemoil Advanced Management Services Private Limited, which is convertible into, up to 35,10,800 (Thirty Five Lakhs Ten Thousand and Eight Hundred Only) equity shares of face value of Rs. 10/- each at a price being not lower than the minimum price calculated in accordance with the Regulations for Preferential Issue contained in Chapter VII of SEBI (ICDR) Regulations 2009.

Based on the approval of the members, Company has applied to the Stock Exchanges for in-principle approval. While Bombay Stock Exchange has granted the conditional in-principal approval, NSE has asked for additional disclosure to be made in the subsequent general meeting and ratification of same.

In connection with this, BSE Limited issued In-Principle approval on April 30, 2018 vide letter no. DCS/PREF/ST/PRE/2819/2017-18 under regulation 28(1) of the SEBI (listing obligations and disclosure requirements), regulations, 2015 for the issue of OCRPS to the non-promotor on a preferential basis. The company has been given undertaking to BSE Limited to ratify the following disclosures in the General Meeting for listing approval to be in compliance with regulations 73(1) (a), 73(1) (b), 73(1) (c), 72(1) (e) and 75 of SEBI (Issue of capital and disclosure requirements) regulations 2009 in relation to Objects of the preferential issue, Intention of the Promotors , Directors , Key Management Personnel to subscribe to the offer, Pre and post share holding pattern of the company, Details of the ultimate beneficial owners of the allotee and Tenure of OCRPS.

With the view to seek ratification and provide disclosure to all shareholders, the Company is again providing the explanatory statement. The explanatory statement would be deemed to have been incorporated at the relevant places and to ratify the following disclosures in the General Meeting for listing approval to be in compliance with regulations 73(1) (a), 73(1) (b), 73(1) (c), 72(1) (e) and 75 of SEBI (Issue of capital and disclosure requirements) regulations 2009.

1. Regulation 73(1)(a) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009: <u>The Objects of the Preferential Issue:</u>

The California Software Company Limited (Calsoft or Company) had unsecured loan of Calsoft is Rs. 35,10,79,977/- as on 31st March 2017 as per audited Financials (Rounded off into Rs.35,10,80,000/-) from Chemoil Group of Companies (Chemoil). Presently, Calsoft has no cash reserves and also has negative net worth. Because of this, calsoft could not raise further loan from any banks or institutions to repay the loan amount.

Based on communication received from the Chemoil for the repayment of the Loan amount, Calsoft proposed to issue Optionally Convertible Redeemable Preference Shares (OCRPS) to the Chemoil. The term and conditions of issuing Optionally Convertible Redeemable Preference Shares (OCRPS) was discussed during Calsoft board meeting held on November 14, 2017. Chemoil agreed to conversion of its loan to OCRPS in name of Chemoil Advanced Management Private Limited. The Company has accordingly agreed to conversion of loan to OCRPS.

Hence, the object of the preferential issue was to reduce the loan by converting it to OCRPS and further such a decision was made to allow the company to make Positive of the company. Accordingly, the company

has converting Loan of Rs. 35,10,80,000 into 35,10,800 Optionally Convertible Redeemable Preference Shares (OCRPS) issued at a price of Rs. 100/- per OCRPS to Chemoil Advanced Management Services Pvt. Ltd. (Chemoil).

2. Disclosure pursuant to Regulation 73(1)(b) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009: Intention of the Promoters, Directors of Key Management Personnel of the company to subscribe to the Offer

None of the Promoters, Directors or Key Managerial Personnel of the company, intends to apply or subscribe to any shares pursuant to this preferential issue of optionally convertible redeemable preference shares. This preferential allotment is done alone by Chemoil Advanced Management Services Pvt. Ltd. by conversion of loan to OCRPS.

3. Regulation 73(1)(c) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009: Shareholding pattern of the company before and after the preferential issue of optionally convertible redeemable preference shares

The pre and post shareholding pattern of the company as on November 10, 2017 is as under:

Category of Shareholders	Pre-Allotment		No. of OCRPS issued	Post-Allotment	
	Total No. of Equity Shares	% of holding		Total No. of Equity shares (presuming full conversion of OCRPS) #	% of holding
A. Promoter and Promoters Group:					
Individuals	63,06,152	51.00	-	63,06,152	39.72
Sub Total	**63,06,152**	**51.00**	**-**	**63,06,152**	**39.72**
B. Public					
Institutions	300	-	-	300	-
Bodies Corporate	1,11,310	0.90	35,10,800	36,22,110	22.82
Individuals & HUF	54,14,445	43.79	-	54,14,445	34.10
NRI's – Repat and Non-Repat	4,54,050	3.67	-	4,54,050	2.86
Foreign Nationals	10,499	0.08	-	10,499	0.07
Clearing Members	68,150	0.55	-	68,150	0.43
Others	100	-	-	100	-
Sub Total	**60,58,854**	**49.00**	**-**	**95,69,654**	**60.28**
Total - (A) and (B)	**1,23,65,006**	**100.00**	**35,10,800**	**1,58,75,806**	**100.00**

The post shareholding structure may change depending upon any other corporate action in between.

The Company is allotting 35,10,800 OCRPS of Rs. 100 each, which will be convertible into equity. The conversion of the OCRPS into equity will be determined based on price as may be decided subject to minimum price on relevant date. Number of equity shares is determined above as each OCRPS convertible into 1 equity.

4. Disclosure pursuant to Regulation 73(1)(e) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009: Time within which the preferential issue shall be completed

The proposed allotment of equity shares, OCRPS will be completed, in accordance with Regulation 74 of SEBI (ICDR) Regulations, within 15 (fifteen) days period from the later of: (i) date of passing of the shareholders' special resolution; or (ii) receipt of the permission or approval from any regulatory authority or the Central Government, if any, including receipt of the 'in principle approval' from all the stock exchanges (pursuant to Regulation 28 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015) where the shares of the Company are listed. The allotment of equity shares, OCRPS, equity shares on conversion of the OCRPS, warrants, and equity shares on conversion of the warrants will be completed in dematerialized form.

5. Regulation 73(1)(e) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009: The identity of the natural persons who are the ultimate beneficial owners of the equity shares and OCRPS proposed to be allotted and/ or who ultimately who ultimately control the proposed allottees is as follows:

As the proposed allottee shares are completely held by foreign subsidiary, the details of the same to the extent available is provided below:

Name and address of the Proposed Allottee	Category of Allottee	No. of Equity shares proposed to be allotted (upon full conversion of OCRPS)	% of Post preferential issue capital to be held *	Name and Details of Ultimate Beneficial Owners of the proposed allottee
Name: Chemoil Advanced Management Services Private Limited Address: Robert V. Chandran Tower, 2nd Floor, No. 149, Velachery Tambaram Main Road, Pallikarani, Chennai – 600100, Tamil Nadu	Non-Promoter Body Corporate	35,10,800	22.11%	Chemoil Advanced Management Private Limited is owned by a Hong Kong based company, Kemoil Limited. Glencore PLC, a public limited listed company, through its chain of subsidiaries holds the ultimate ownership of Kemoil Limited and Chemoil Advanced Management Services Pvt. Ltd. About Glencore PLC: Glencore PLC is a multinational commodity trading and mining company having its headquarters at Baar, Switzerland. Glencore PLC is listed at London Stock Exchange (LSE), Hong Kong Stock Exchange (SEHK) and Johannesburg Stock Exchange (JSE). Since Glencore PLC, being the ultimate beneficial owner of the proposed allottee, is a listed company, so in terms of Regulation 73(1)(e) of SEBI (ICDR) Regulations, 2009, no further disclosure is required.

***** The above table shows the expected shareholding pattern of the Company after conversion of the OCRPS into Equity Shares of the Company.

6. Regulation 73(1)(f) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009: Undertaking that the issuer shall re-compute the price of the specified securities in terms of the provision of these regulations where it is required to do so

Company undertake that it issuer shall re-compute the price of the specified securities in terms of the provision of these regulations where it is required to do so.

Regulation 73(1)(g) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009: Undertaking that if the amount payable on account of the re-computation of price is not paid within the time stipulated in these regulations, the specified securities shall continue to be locked- in till the time such amount is paid by the allottees.

Company undertake that if the amount payable on account of the re-computation of price is not paid within the time stipulated in these regulations, the specified securities shall continue to be locked- in till the time such amount is paid by the allottees.

7. Tenure of Convertible Securities

The term 30 (thirty) months was erroneously written and is replaced above in resolution and should be read as 18 (eighteen) months at the following places of the EGM Notice dated November 14, 2017, which is also reproduced below:
In Resolution No. '6' of the EGM Notice passed for "Issuance of Optionally Convertible Redeemable Preference Shares (OCRPS)", the paragraph, "RESOLVED FURTHER THAT the aforesaid OCRPS be converted at the option of the issuer at any time within 30 months from the date of issue, in one or more than one tranche" should be read as follows;

"RESOLVED FURTHER THAT the aforesaid OCRPS be converted at the option of the issuer at any time within 18 (eighteen) months from the date of allotment, in one or more than one tranche"

In Item No. '6' sub-point 'd' of the Explanatory Statement to the EGM Notice, the paragraph should be read as follows;
"In the event the Chemoil does not exercise its right to convert OCRPS into Equity shares of the company within 18 months post allotment of OCRPS, the OCRPS shall be redeemed in 5 equal instalments (along with premium) starting from end of 6 months up to 20 year from the date of allotment of OCRPS."

8. Other terms and conditions and details of convertible Securities

The brief terms and conditions of OCRPS of the Company to be issued to Lenders pursuant to restructuring terms and conditions between Chemoil and Calsoft are as follows:

a. Out of the loan amount of Rs. 35,10,80,000/- after adjustment of the amount to the extent of allotment of Upto 35,10,800 (Thirty Five Lakhs Ten Thousand and Eight Hundred Only) preference shares to Chemoil as mentioned above, the company shall issue OCRPS of face value of Rs.10/- each at a price of Rs. 100/- each (which includes premium of Rs. 90) to Chemoil.

b. All OCRPS shall carry a right of conversion into equity shares of the company, either full or in part, at the option of issuer on conversion date. Upon exercising the right of conversion of entire OCRPS by the Chemoil, the Lenders shareholding pursuant to such conversion shall be 18.80 % approximately including any corporate actions taken by the company of fully diluted equity capital of the company. On Conversion, the entire amount of OCRPS shall be adjusted against the allotment of up to 35,10,800 equity shares of the company to Chemoil.

c. The 'Conversion Date' shall mean the date on which the Chemoil exercises its right to convert the OCRPS into equity shares of the company, which can be any time within 18 months from the date of allotment of OCRPS.

d. In the event the Chemoil does not exercise its right to convert OCRPS into equity shares of the company within 18 months post allotment of OCRPS, the OCRPS shall be redeemed in 5 equal instalments (along with premium) starting from end of 6 months up to 20 years from the date of allotment of OCRPS.

e. The holding of Chemoil, on allotment of equity shares and allotment of equity shares on conversion of OCRPS shall not exceed more than 20 % of the fully diluted equity capital of Calsoft and In case at any point of time if the conversion would make the holding of Lenders more than 20% of the post allotment paid up capital of Calsoft, then the board of directors shall issue such lesser number of equity shares against the entire amount of various OCRPS in such manner so that the post holding of Lenders in the Calsoft Limited shall not exceed 20% of the post conversion paid up equity capital of Calsoft.

f. No Change in Control: The existing promoters of the company will continue to be in control of the company and there will not be any changes in the management/control of the company as a result of the proposed preferential allotment.

g. Proposed time within which the allotment will be completed: The proposed allotment of equity shares, OCRPS will be completed, in accordance with Regulation 74 of SEBI (ICDR) Regulations, within 15 (fifteen) days period from the later of: (i) date of passing of the shareholders' special resolution ; or (ii) receipt of the permission or approval from any regulatory authority or the Central Government, if any, including receipt of the 'in principle approval' from all the stock exchanges (pursuant to Regulation 28 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015) where the shares of the Company are listed. The allotment of equity shares, OCRPS, equity shares on conversion of the OCRPS, warrants, and equity shares on conversion of the warrants will be completed in dematerialized form.

Pricing:

a. The issue price of the equity shares to be allotted on preferential basis shall be at a price being not lower than the minimum price calculated in accordance with the Regulations for Preferential Issue contained in Chapter VII of SEBI (ICDR) Regulations as amended.

b. The issue price of OCRPS to be allotted on preferential basis to shall be at a price of Rs. 100/- each (which includes premium of Rs. 90). The issue price of the equity shares on conversion of the OCRPS to be allotted on preferential basis shall be at a price being not lower than the minimum price calculated in accordance with the Regulations for Preferential Issue contained in Chapter VII of SEBI (ICDR) Regulations as amended.

Other Details:

a. Number of Persons to whom allotment on preferential basis have been made during the year, in terms of number of securities as well as price:

b. During the year, the company has not issued any shares on preferential basis or Private Placement basis other than mentioned above.

Auditor's Certificate:

The certificate from the Statutory Auditors of the Company, certifying that the issue of securities on the above terms is in accordance with the SEBI (ICDR) Regulations shall be laid before the shareholders at the Extra- Ordinary General Meeting.

Relevant Date:

The "Relevant Date" for the purpose of determining the pricing of any equity shares, equity shares on conversion of the OCRPS, warrants to be issued shall be 30 days prior to the date of this meeting of the Shareholders of the Company or in the case where the Relevant Date falls on Weekend/Holiday, the day preceding the Weekend/Holiday will be reckoned to be the Relevant Date.

All the details/ terms/ conditions subject to the changes as notified or disclosure as made in the Explanatory Statement to the EGM Notice dated November 14, 2017 would be deemed to be incorporated here.

None of the Directors and Key Managerial Personnel of the Company and their respective relatives is, in any way, concerned or interested, in the Resolution set out at Item No. 9 of this Notice.

By order of the Board
For California Software Company Limited

Dr. Mahalingam Vasudevan Chennai
Managing Director August 31, 2018

Registered Office:
California Software Company Limited,
2nd Floor, Unit 9, STPI Building,
5 Rajiv Gandhi Road,
Taramani, Chennai 600113

Dear Shareholders,

We are presenting our Report on the Business & Operations of your company and its working results for the Financial Year 2017-18.

INDUSTRY OVERVIEW

In an age of regular technological advancement, growing faster has become essential for the software companies to survive. The Software companies have to undergo transformation by reevaluating product and processes in order to become profitable rapidly and efficiently.

Since every Software company is focusing on global market, our technology must be relevant for the companies around the world. The key technological advancement that are leading this transformation include automation, block chain, cloud, digital twins, Internet Plus and artificial intelligence (AI).

There are many challenges in building the vision. First element of the challenge is hiring the talented and right people for the growth and the second is to bring the processes in early to enable that growth.

Most companies in the IT sphere have come to realize that new tech-driven models, presently, Big data, Cloud Computing, Machine Learning and Artificial Intelligence will be at the core of business strategy. This has led them to invest in proactively in "creative destruction" – the next logical step to thrive and survive and become exemplary in the field.

CALSOFT BUSINESS LANDSCAPE

The company is positioned to provide integrated software and information services, i.e. end-to-end IT services, including consulting services, technical services, outsourcing services, and training services. The technical services mainly involve IT solutions and outsourcing services, including ITO, BPO, EPO, and more.

The company's customers are in industry sectors that possess high IT growth potentials, including finance, telecommunication, government and manufacturing, high technology, and etc.

CALSOFT ENTERPRISE BUSINESS SOLUTIONS (CsEBS)

CsEBS works with enterprises that are reengineering the processes and are adopting to rapid change. The key focus areas for the CsEBS group are Technology Strategy & Planning, Business Process Enablement , Business Intelligence, Data Management Consulting and System Integration.



CsEBS services include Strategic & Operational Business Consultancy, Implementation, Testing, Technical Architecture, Product development, Training, Managed Services, License Management and Migration. CsEBS provide services across multiple industry segments: Finance & Banking, Communications, Manufacturing Services, Retail & Distribution, Healthcare, Engineering & Construction, Logistics & Transportation and Energy

STRATEGY, BUSINESS, AND IT CONSULTING

By providing strategy and business consulting services, the company can understand the intrinsic nature of customers' business and understand their real needs. The consulting products and services are based on a rigorous and proven scientific method and frameworks so that significantly save cost and increase productivity.



SOFTWARE PLATFORM SERVICES

Calsoft has been committed to the R&D of platform and middleware products. These products are used both in intra-company solutions and project deliverables and for sales outside the company. As the industry/user integration platform and development platform, our products enable connection between solutions from different suppliers.

The company now owns more than ten software platform products with independent intellectual property rights. These products are widely used in the industry solutions and projects, greatly increasing the system integration, stability and efficiency, as well as improving user viscosity.

DATA ANALYSIS SERVICES

The company's data services can provide enterprises with end-to-end data technology and big data innovation services in the aspects of data strategy consultancy, data platform, data management, data analysis, etc., covering consultancy, implementation, development and other processes.

SOFTWARE PRODUCT ENGINEERING

Calsoft provides engineering services to enterprises specializing in development of Technical products. Calsoft's potential customers include independent software suppliers, telecom equipment developers, game developers and Internet companies to speed up their product development, reduce the development costs, and obtain advantages in early time-to-market. Calsoft's products include, databases, middleware, network protocols, speech recognition and human-machine interfaces, value-added telecom applications and other software products, in addition to specialized services including product design, development, quality assurance and testing.

TECHNOLOGY PROFESSIONAL SERVICES (TPG):

TPG is the first "wheel" of the company's bi-model structure that provide services to large customers and large industries that requires company's experienced project management skill sets, human resource capabilities, and control of certain specific resources.

The company has, over the past years, developed independent software platform products to provide end-to-end professional services that combine consulting methodology with the Information Technology practices. In addition, the company has trained experts in the industries that it serves and established harmonious reciprocal win-win business environment with its customers. Calsoft is also committed to provide high quality IT outsourcing services. Calsoft established a leading position in solutions field in India.

BIG DATA PRODUCTS AND SERVICES

The company has provided big data consultation, implementation, and operation services including big data infrastructure planning, data platform, management, analytics, and other end-to-end data technologies and new big data services for government and financial institutes (small to mid-size enterprises). We provide planning and designing Big data infrastructures for industry digitalization and AI for its customers to establish smart business.

The company's big data capabilities cover all the need in the life-span of an enterprise's IT transformation processing, combining data, management and application. In terms of data integration and data application, the company will help different customers in different business to establish customer marketing, risk control, regulatory compliance, knowledge, financial, performance and cost management that are essential to develop a multi layered data service systems.

INDUSTRY AND GENERAL APPLICATION SOFTWARE AND SOLUTION DEVELOPMENT

The company provides customers in different industries with end-to-end process services that include industry and general application software and solutions. In planning and design phase we dispatch appropriate industrial consultant and qualified designers with knowledge of IT to understand customers business needs and form a business component map to integrated business frame work.



In the operation and maintenance phase, the company's platforms, application software and solutions have been adopted in all key areas of India.

With years of experience and the successful practice of a large number of projects, the company has gained industry, customer, regional and large project service capability. At the same time adhere to standard requirements of quality control systems ISO9001, ISO20000, ISO27001 and CMMI, fully ensuring the service quality and delivery time.

MOBILE INTERNET PRODUCTS AND SERVICES

The company is the one of earlier mobile application product designers and service providers. The company provides instant messaging, integrative communication, mobile social, mobile payment, enterprise mobile application, application shopping mall, and internal product design, as well as development and operating marketing service.

The company's end terminal hardware includes terminal software and wearable products, mobile phones, vehicle-mounted communication terminals, smart wearable tablets, home set-top boxes, and etc. Terminal software includes the maintenance and R&D of mobile phones and other products, multiple services such as driver development, protocol development, application development, tool development, product management, and software testing. Wearable products include related product development and testing services, as well as wearable App development and testing.

PRODUCT ENGINEERING

The company provides product engineering services to technology product development companies, including independent software vendors and telecommunications equipment developers. The company's capability of fast delivery can help customers improve the speed of product development, and save development costs, thus gaining the time advantage in marketing their products. The development of products by the company includes operating system, database, middleware, network protocol, speech recognition and human-machine interface, telecom value-added applications and other software products. The company can also provide specialized products and services, including product design, development, and quality assurance and testing.



APPLICATION DEVELOPMENT AND MANAGEMENT SERVICES

The company focuses on services such as application software development, system maintenance and system optimization. The company has ADM service teams in application environments such as mainframe computers, client servers, internet and mobile internet, as well as a variety of platform software programs including various mainframe system, Windows series, Linux/Unix and Android, Symbian, IPhone OS, etc. The company can deliver the ADM services in its Centers of Excellence (COE) or at customers' sites.

ENTERPRISE APPLICATION SERVICES

The company provides consulting-driven Enterprise Application Services taking into consideration the differences in customized needs of enterprises, managerial needs and proposes an application solution meeting their needs.

The company's Enterprise Application Services cover a number of mainstream ERP systems and e-business packages, including enterprise resource planning (ERP) systems, customer relationship management (CRM), supply chain management (SCM), enterprise application integration (EAI), and etc. Specific services provided by the company include: packaged software implementation, customized development, maintenance and product upgrades, business intelligence (BI)/data warehouse (DW).

SYSTEM INTEGRATION AND SERVICES

The company has extensive experience in services with "A" qualification for system integration, and the major services provided include system integration, system maintenance and system operation. Together with other services, the company covers the entire life cycle of information systems, ensuring smooth construction and operation of medium to large information systems.

BUSINESS PROCESS, ENGINEERING PROCESS, AND KNOWLEDGE PROCESS OUTSOURCING

The company offers BPO, EPO and KPO services to customers within different fields including finance, manufacturing, medical and healthcare, transportation and logistics, targeting at markets in Japan, Europe, America and the Greater India regions. The company provides customers with multilingual BPO, EPO and KPO services, including back office processing, shared service centers, data processing, desktop publishing (DTP), CAD, Call Centers, business intelligence and data mining.

CALSOFT INTERNET IT SERVICES (CIIS)

IISC is the other "wheel" in the company's bimodal structure. The Internet ITS business is focused on the "on-line" business with customers that are more price sensitive and projects that are best handled by flexible resources. Majority of the work in CIIS will be performed through the CsDigital platform. With the CsDigital platform, developers from anywhere in the country can freely bid and work on projects listed on the platform, allowing the business to pick and choose the best developers at the lowest cost.

At the same time, projects that have only periodical service needs can come to the platform when services are needed and pay no continued fixed costs when the projects are completed. This greatly alleviates the waiting cost in traditional ITS models for projects that have long waiting periods between tasks.



CsDigital

The emergence of the CsDigital platform aims to ease the software-driven enterprise transformation and promote industry upgrading.

CsDigital provides an alternative delivery model than the traditional ITS delivery model. During the delivery process, CsDigital helps the vendor and the buyer to find a satisfactory price. CsDigital is integrating the idea of shared economy and crowd sourcing into the ITS market.

The company pushed out the cloud software parks and used CsDigital as its vehicle to expand new industries, provide new services, and bring in new technologies and ideas.



Cloud Migration, Consulting and Operation Services

The company has been carrying out technical services including light cloud migration, independent host migration, system configuration, software configuration, data backup, data transfer and system configuration. Clients coverage includes individual user, professional user, as well as enterprise user. It also provides maintenance service for users. In the near future the company will provide more technical cloud servicing capabilities in accordance to new technologies, acquire new partners, and expand into new industries.

Cloud computing helps to simplify IT, push innovation, increase returns on IT investments, and increase efficiency in operations. The company entered into a strategic agreement with Huawei Cloud and Tencent Cloud, two leading Indian cloud computing companies, to provide cloud consulting and customized services. Innovation is treated as a standard today, including rich social experience, mobile payment, friendly user interface, structured and unstructured instant search data and regularly and upgrade without interference.

Cloud Solutions

The company took full advantage of multiple solutions and servicing experiences accumulated over the course of 10+ years to fully understand the cloud service. The company will continue to develop cloud solutions in government, manufacturing logistic, finance and public services. In the government sector, the company has developed enterprise audit cloud solution, city operation big data cloud solution, and data asset management solution. In the manufacturing logistic industry, the company has developed logistics line cloud solutions, enterprise cloud disk solutions, process and IT cloud solutions, retail cloud solutions, and e-commerce cloud solution. In the financial industry, the company has developed an internet finance cloud solution.

INDUSTRY VERTICALS

The company's big data, Artificial Intelligence, sales channel management and marketing support have a clear market leading position. For securities business, the company has established technological advantages in important and innovative fields such as the formulation of industry data standards, core clearing, bills and interest rate swaps, next-generation transaction monitoring, risk control, and big data infrastructure, and supporting data management and control.

In 2018, the company achieved remarkable results in regulatory big data transaction, risk management, and other smart regulations, winning the trusts of clients and standing out within the industry with its comprehensive capabilities. The company, as an important participant of financial IT services and pioneer of more segmented businesses, will help securities clients built technical advantages and provide clients with the best comprehensive, or "until the last mile", services.

Financial Services and Banking

The company provides personalized financial services, with secured payment to its customers in financial and banking industry. The company has a long history of providing industry solutions, system integration services and related high-end services for its key customers including five major state-owned banks, postal savings banks, a number of joint-stock commercial banks and city commercial banks, as well as foreign-invested financial institutions in India.

Insurance and Securities

The company constantly expand vertically into the insurance and securities industry and built positive relationships with its customers. The insurance business is actively participating in the establishment of insurance factor standards and industry data governance in the industry regulatory side, establishing in-depth cooperation with major customers in the industry. For the core insurance business system, the company developed leading insurance sales channel management and marketing support and formed an entry barrier with its advantageous technologies including insurance big data, AI, insurance risk management and insurance financial management.

Telecommunications and Internet

The company is one of the early service providers in Internet platform design, development and operation, and also one of the largest professional service providers in application development and adaptation for mobile clients. As a trusted partner of India's telecommunications operators and equipment makers, the company provides its customers with product design and development, and operation and promotion services such as mobile payment, mobile instant messaging, enterprise mini blog, mobile application stores, PTT (push to talk intercom phones), embedded browser, mobile advertising platform, etc.



CsDigital: "Share the Same Boat"

The software parks are the vehicles of the CsDigital platform that are driven by the cloud sourcing services and helping the parks to establish a platform service business model. This new model will be an O2O model (Online to Offline) running on platforms and sharing, leasing, research and development, and other services that are based on the Cloud. Calsoft plan to launch CsDigital Software Park in Indian cities such as Chennai, Mumbai, Pune and Bangalore and as well as globally, in particular, Middle East, USA, Canada and Europe.

Presently, Calsoft propose to build over 100 service providers, and 1,000 outsourcing companies and 10,000 engineers available on the CsDigital platform.

By 2020, Calsoft envisages to achieve 10-time growth in this field. The goal is to "share the same boat" with technology driven companies and continue to improve end customers' satisfactions.

CsBigData "Breakthrough in Bottlenecks"



As the data application demand and requirements from enterprises are increasing, the Big data and analytical market will grow from USD130 Billion to USD203 Billion from 2016 to 2020.

In the Artificial Intelligence, Blockchain and Bigdata driven decision makings are bringing cultural changes in the Global market.

In 2017, the Calsoft quickly established CsBigData and service team engaged in cross industry consulting and implementation methodology, end to end solutions there by helping the customers to Plan and design rational scientific Big data structures and operation risk control management.

In the future, CsBigData will continue to thrive in financial regulatory institute, banking, insurance, securities, transportation, logistics, energy, manufacturing, public security, healthcare, media and other fields. Technologically CsBigdata will be the company's new growth engine.

CsCLOUD "Sail on the Same Boat"

As technologies improve, it is essential that by 2020 25% of the Digital's GDP will be digital economy. Cloud computing is an important technology to help enterprises digitalize and thereby lowers enterprise's operating costs significantly and increases enterprise's managerial efficiency. Calsoft has been working on Cloud services since 2010 and has created a team of technical staffs. The company has launched its "intelligent manufacturing cloud" called CsCloud. CsCloud will help the manufacturers to realize a smart manufacturing transformation. In the next three years, the Calsoft will accelerate its push to help Indian manufacturers to achieve smart upgrade – "Sail on the Same boat"



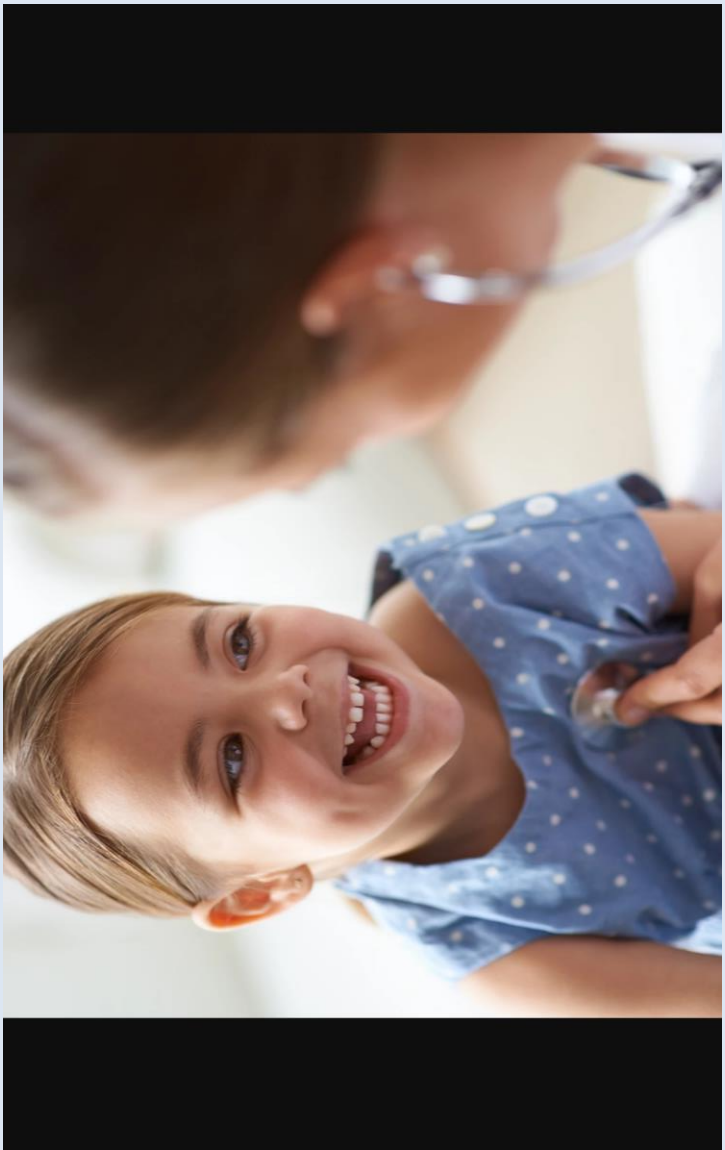
LIFE SCIENCE TECHNOLOGY

Our end-to-end Implementation services include:

- Consulting
- Implementation and Customizations
- Integrations
- Data migration
- Upgradation
- Data warehousing and Analytics
- Application Development
- Maintenance, administration and support
- Validation

Hosting and Managed services on the following applications:

- Argus Safety Suite
- Oracle Clinical / Remote Data Capture (RDC) /
- Thesaurus Management System (TMS)
- Oracle Inform EDC / Central Designer / Central Coding
- Life Sciences Data Hub (LSH)
- Oracle Data Management Workbench (DMW)
- Oracle Clinical Development Analytics (CDA)
- Adverse Event Reporting System (AERS)



CLISAC - CLINICAL DATA MANAGEMENT APPLICATION

- Clinical Data Management team comprises of Data Managers, Quality Review personnel, Database administrators, Clinical programmers and Medical Coders. They have considerable experience having managed several projects for several Pharmaceutical and Biotech companies for Phase I to IV clinical trials.
- Our infrastructure includes Oracle Clinical Data Management System, MedDRA and WHODRUG for Coding, Crystal reports for report generation, WinNonlin for Pharmacokinetic Analysis. We also provide services for any client specific CDMS on an ASP model.
- Our production servers are hosted at a Level III data centre with redundant IT infrastructure such as power and internet connectivity, regular scheduled backups and disaster recovery.
- Our CDM services include:
  - CRF designing to capture Data based on Protocol
  - Robust database design and set up
  - Effective Validations for a smooth database closure
  - Meticulous manual review of data
  - Medical coding by appropriately trained medical personnel
  - Scheduled report generation to get a feel for Data quality



Clinical Data warehouse and Analytics Console - CLIDAC

Data warehousing

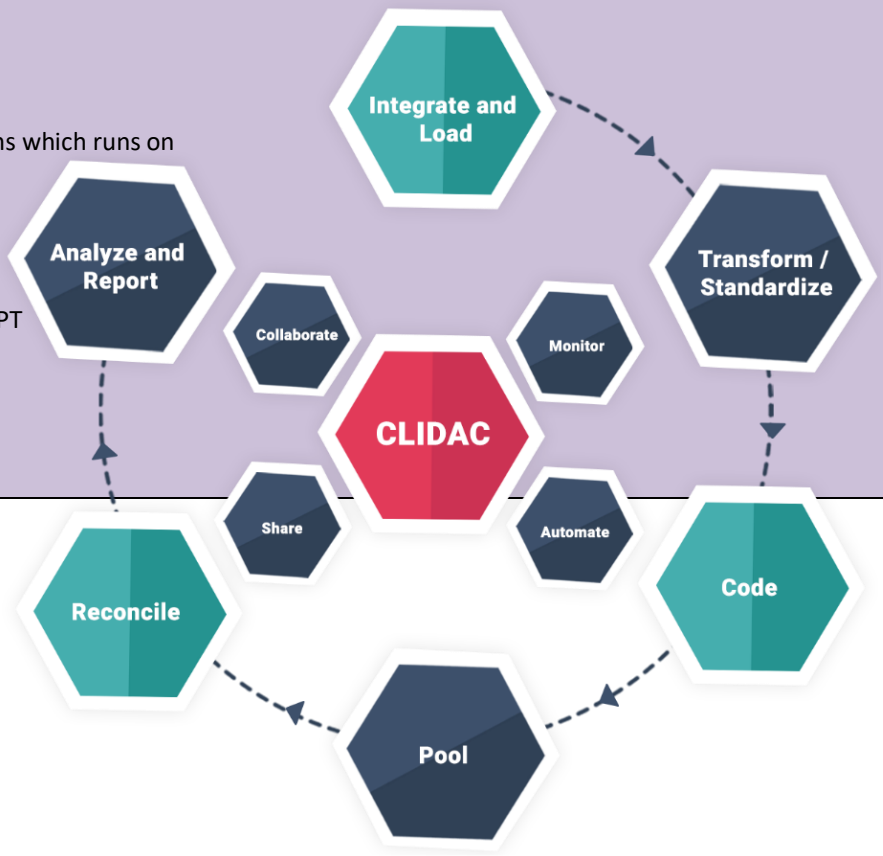
- Clinical Data warehouse and Analytics Console - CLIDAC is a secured, regulatory complaint Clinical Research Data Warehouse and Analytics System.
- CLIDAC provides solutions with fact-based insights into clinical trial data, in order to assist your organization making informed business decisions, thereby helping your organization in increasing productivity and developing drugs in an effective manner, at a faster pace.

CLIDAC helps in

- Standardization including SDTM transformation
- Safety monitoring and signal detection
- Single data storage for data mining and visualization
- Data reconciliation
- Ongoing medical review
- Cross-study analysis

CLIDAC has out of the box integration capability to Connect and Load Data from

- Clinical Systems
- Oracle Clinical / RDC
- RAVE
- Open Clinica
- Inform
- Safety Systems
- Argus
- ArisG
- Other Clinical or Safety Systems which runs on
- Oracle database
- SQL server database
- File based data such as
- Text / CSV
- SAS – SAS datasets, XPT and CPT



ARGCIC - PHARMACO-VIGILANCE APPLICATION

Patients' safety is given prime importance for ongoing medical support at the site. Serious Adverse Events and Adverse Drug Reactions are all monitored, documented and reported within the defined timelines. Our team consists of several Physicians and Doctorates in Pharmacology with experience in Pharmacovigilance practices for trials across a wide array of therapeutic indications.

- Providing medical monitoring/support to sites
- Serious Adverse Event (SAE) Management
- Assessment of Causality and Expectedness of Adverse and Serious Adverse Events
- Preparation of Alert letters
- Medical Writing Authoring of clinical study documents (Protocol, Investigators Brochure, Summary reports and Publications and authoring of medical communications
- Our team consists of several Physicians and Doctorates in Pharmacology with experience in medical writing for trials across a wide array of therapeutic indications
- Argus Safety consulting and Implementation services
  - Implementation and customizations
  - Validation
  - Data Migration
  - Upgrade
  - Hosting / Cloud computing
  - Maintenance and Support
  - Oracle Partnership and Oracle Certified/Specialized team
  - ICSR Processing
  - Training



E COMMERCE SOLUTIONS

- We are living in a world of E-Commerce. Calsoft is one of the best service providers of E-Commerce platform with the objective of growing SMEs by Grow Their Business BIG.
- We offer the most smooth and secured E-Commerce solution tailor made according to our client's needs. Our secured hosting data ensures safe and secure automatic routine backups.
- Our E-commerce solution platform provides flexibility, scalability, innovative technology and sophisticated management tools.
- Calsoft's designs and build high conversion E-commerce, I.T. Solutions & Value Added Services for B2B and B2C Businesses.

CLPM - LOYALTY BUSINESS MANAGEMENT

- Increasing competition in all industries has led to loyalty programs becoming increasingly significant. LBMS is a unique IT Platform for management of a successful loyalty program. It contains all modules required for a next generation loyalty program and brings long-term profitability to an organization.



FINANCIAL RESULTS (All figures in lakhs, Except for EPS)

Details	Consolidated		Standalone	
	Year ended 31-Mar-18	Year ended 31-Mar-17	Year ended 31-Mar-18	Year ended 31-Mar-17
Total Revenues	95.00	1.71	95.00	1.54
Total Expenses	42.00	-173.00	41.00	-173.00
Profit before exceptional and extra-ordinary items	54.00	174.00	54.00	174.00
Exceptional items	0.00	0.00	-	-
Profit before extraordinary items and tax	54.00	174.00	54.00	174.00
Profit before Tax	54.00	174.00	54.00	174.00
Current Tax	10.00	0.00	-	-
Deferred Tax	0.00	0.00	-	-
Profit / (Loss) for the year	43.00	174.00	44.00	174.00
Minority Interest	0.00	0.00	0.00	0.00
Paid up equity capital	1580.00	1230.00	1580.00	1230.00
Earning per share (EPS) for the year (Rs)				
i) Basic	0.27	1.41	0.36	1.41
ii) Diluted	0.27	1.41	0.36	1.41
*Note: Previous year's figures have been reclassified wherever necessary to conform to current year classification.				

DIVIDEND

This year reserves can be used to acquire or setting up new business for the company to achieve mission and vision of the company, hence, no dividend could be declared for this financial year.

RESULTS OF OPERATIONS

Consolidated Results

During the year, your Company on a consolidated basis with all its subsidiaries earned total revenue of Rs. 95 lakhs against Rs. 1.71 lakhs earned during the previous year. The profit before tax during the year is Rs. 54 lakhs as against Rs. 174.72 lakhs 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 profit for the year is Rs. 43 lakhs as against a profit of Rs. 174.72 lakhs of the previous year.

Standalone Results

During the year, your Company on a standalone basis earned total revenue of Rs. 95 lakhs as against Rs. 1.54 lakhs earned during the previous year. The profit before tax during the year is Rs. 54 lakhs as against Rs. 173.76 lakhs of the previous year.

After taking into account the tax provisions and adjustments, the profit for the year was Rs. 43.0 lakhs as against a profit of 173.76 lakhs for the previous year.

REVIEW OF SUBSIDIARIES

Aspire Communications Private Ltd

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 did not make any profit.

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.

DIRECTORS

- Dr. Pasupathy Raju has been appointed as an Independent Director with effect from June 08, 2017
- Ms. Keerti Saraswat has been appointed as a Woman - Independent Director with effect from June 08, 2017
- Dr. Mahalingam Vasudevan has been appointed as Managing Director & CEO with effect from December 23, 2017.
- Dr. V. Manimala has been appointed as an Executive Director & COO with effect from June 08, 2018.
- Mr. Vijayakumar Madhavan has been appointed as an Executive Director & CFO with effect from June 08, 2018.
- Mr. B. Rengarajan has been appointed as an Independent Director with effect from June 26, 2018

Retire and Resignation of Directors

- Dr. Timothy Allen has been appointed as an Independent Director with effect from June 08, 2017 and he resigned from the board with effect from June 08, 2018.
- Mr. Prashant Khattar has been appointed as an Additional Director with effect from December 23, 2017 and he resigned from the board with effect from June 08, 2018.
- Mr. Fredrick Bendle resigned as Managing Director with effect from December 23, 2017
- Ms. Vijayapriya Narayanan resigned as Woman Independent Director with effect from December 23, 2017
- Mr. PJ. George resigned as Independent Director with effect from December 23, 2017

AUDIT RELATED MATTERS

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.

Statutory Auditors

M/s. N. Balasubramanian Associates, Chartered Accountants, Chennai was re-appointed as Statutory Auditors of the Company at the Annual General Meeting held on September 28, 2016 for a period of five years until the conclusion of the 29th Annual General Meeting to be held in the year 2021. A resolution for ratification of appointment and fixation of remuneration for the financial year 2017-18 forms part of the agenda of the Annual General Meeting.

Qualifications in Auditors Report

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

- Note 26 and 27 in the standalone financial statements which indicate that the Standalone Company became positive net-worth and acquired a net profit during the current year.
- Company's Indian subsidiary Aspire Communications P Ltd and it subsidiary Aspire peripherals P Ltd have initiated their business operations fully.

Secretarial Audit

Mr. Gourishanker Mishra, Company Secretaries-in-Practice has been appointed as Secretarial Auditor for the financial year 2017-18. 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.

Cost Audit

The Company is not required to conduct cost audit.

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.

POLICY MATTERS

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

and relevant extracts from the Policy are reproduced in Annexure 2 to this report.

The Board affirms that the remuneration paid during financial year 2017-18 to the Employees and Key Managerial Personnel was as per the Remuneration policy of the Company.

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 Boards 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.

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.

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 oversee the vigil mechanism. The company affirm 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.

OTHER MATTERS

Debentures

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

Bonus Shares

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

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.

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 was transferred to the Investor Education and Protection

Fund during the financial year 2015- 16. The Company has not declared any dividend after FY 2008-09, hence there is no requirement of transfer to Investor Education and Protection Fund.

HUMAN RESOURCES

Employee Strength and Expansion

Calsoft is in the process of employing more than 100+ employees to deliver an industry leading revenue per employee. Calsoft continued its focus on talent localization strategy in global locations, a strategy adopted a decade ago, ahead of the market. This has paid rich dividends in an era of strong emphasis on talent localization.

In FY18, human resource function continued to build on its organization strategy and mission. Our various initiatives were focused to simplify HR function, impacting entire hire to retire cycle, enhancing employee experience by delivering distinctive people practices. HR function collaborated with business for enhanced business value addition by driving operational efficiencies and effective organization design.

Talent Acquisition, Talent Development & Career Management

Calsoft's talent acquisition & talent management practices are aligned to our strategy. We have leveraged Digital and Cloud technologies to enhance the quality and experience of our Talent Acquisition, Talent Development and Career Management programs, we leveraged artificial intelligence & data science to hire the right talent at the right time. Calsoft believes LEARN.. UNLEARN... RELEARN is a continuous process, and it will bring in new models of employment and force organizations to rethink Future of Work and Workplace. We shifted focus on enhancing the business value through increasing passion, proficiency and value by enabling our employees to drive Performance, Productivity and Innovation.

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.

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. All Board Members and Senior Management Personnel have affirmed their compliance with the Code for the financial year ended March 31, 2018. A declaration to this effect signed by Dr. M. Vasudevan, Managing Director forms part of the Corporate Governance Report.

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.

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 2017-18 is provided in this report.

Number of Board Meetings

During the year, seven board meetings were conducted 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.

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.

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 2017-18 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.

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.

During this FY 2017-18, the company earned Rs. 94 lakhs as foreign exchange earnings.

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.

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.

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 in Consolidated Financial Statements.

As on March 31, 2018, the company has a 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.

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.

Green initiatives

Electronic copies of the Annual Report 2016-17 and Notice of the Twenty Fifth 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 2016-2017 were sent. The annual report 2017-2018 of Twenty-Sixth Annual General Meeting will be sent in the permitted mode. Members requiring physical copies can send a request to the Company.

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 / www.calsof.com) on a regular basis.

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:

- In preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- 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;
- 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;
- The directors had prepared the annual accounts on a going concern basis.
- Proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- Proper systems were in place so as to ensure compliance with the provisions of all applicable laws and were adequate and operating effectively.

KEY MANAGERIAL PERSONNEL

The Key Managerial Personnel of the Company are:

- Dr. Mahalingam Vasudevan has been appointed as Managing Director & CEO with effect from December 23, 2017.
- Dr. V. Manimala has been appointed as an Executive Director & COO with effect from June 08, 2018.
- Mr. Vijayakumar Madhavan has been appointed as an Executive Director & CFO with effect from June 08, 2018.

TRANSFER OF SHARE

- The Board takes on record transfer of 28,86,937 shares dated August 03, 2017 between Kemoil Limited and Mr. Vinayak Gopalkrishna Kudva as a result of share purchase agreement between them.
- The Board takes on record transfer of 63,06,673 shares on October 2017 between Kemoil Limited and Dr. M. Vasudevan as a result of share purchase agreement between them.

ACKNOWLEDGEMENT

We take this opportunity to thank our 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. We place on record our appreciation for the valuable contribution made by the employees at all levels.

For and on behalf of the Board of Directors

Dr. M. Vasudevan
Managing Director & CEO

Dr. Pasupathy Raju
Director

Chennai
August 31, 2018

MR - 3
SECRETARIAL AUDIT REPORT

For the Financial Year Ended 31st March 2018

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

To
The Members,
California Software Company Limited.

I 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 me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my 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, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March 2018 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.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2018 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 there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under 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 (Listing Obligations and Disclosure Requirements) Regulations, 2015;

  (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

  (c) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

  (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

(f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(g) 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;

(h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

(i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

(vi) The list of major heads/ group of Acts, Law and Regulations as applicable to the Company as per management declaration and representation, is mentioned below. In relation to these laws we have relied on the representation made by the Company and its Officers for system and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations as applicable to the Company.

1. Information Technology Act, 2000 and the Rules made thereunder.
2. Copyright Act, 1957
3. The Patents Act, 1770
4. Trade Marks Act, 1999
5. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

I have also examined compliance with the applicable clauses Secretarial Standards issued by The Institute of Company Secretaries of India.

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

1. *The Company has made delayed filing of Shareholding Pattern for quarter ended March 2018 to both Stock Exchanges, i.e. BSE Limited and National Stock Exchange of India Limited and both the exchanges has imposed fin.*
2. *The Company has allotted 35,10,800 Optionally Convertible Redeemable Preference Shares (OCRPS) of Rs. 100 each for an amount of Rs. 35,10,80,000 on 23rd December 2017, convertible into equity shares in connection with that BSE Limited issued in-principle approval, whereas in-principle approval of National Stock Exchange of India Limited is yet to be received;*
3. *The annual disclosure of shareholding of promoter as on 31st March 2018 as required to be filed with Company and Stock Exchanges under Regulation 30 of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 has not been filed.*
4. *The Company has not updated the its website with mandatory information required to be updated as per the provisions of Act and SEBI Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;*
5. *Company has not fully complied with Secretarial Standard in relation to notice, agenda and minutes and attendance there at;*

6. *The Company has failed to file various e-forms including relating to the registration of resolutions, changes in shareholding, appointment/resignation of directors, return of allotment, etc. as required to be filed under the Act;*
7. *Company has failed to appoint Chief Financial officer as required to be done in compliance to Section 203 of the Act;*
8. *Statutory Registers are not completely in compliance with provisions of the Act;*
9. *Company has failed to publish the notice of the Board Meeting and Financial Results for quarter and year ended in the News Papers as required to be done;*

I further report that

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 reporting made above*.

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 *subject to the reporting made above*.

All decisions of the Board and Committees were unanimous and the same was captured and recorded as part of the minutes and hence no dissent is recorded in minutes *subject to the reporting made above*.

I 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 *subject to the reporting made above and scope exists for improvement of same*.

I further report that during the audit period:

(a) *During the year, change in Management of the Company has taken place pursuant to mandatory open offer made and completed as per Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;*

(b) *The Company has increased its Authorised Share Capital from Rs. 15 Crores to Rs. 25 Crores at the Extra-Ordinary General Meeting dated 23rd December 2017;*

(c) *The Company has allotted 35,10,800 Optionally Convertible Redeemable Preference Shares (OCRPS) of Rs. 100 each for an amount of Rs. 35,10,80,000 on 23rd December 2017, convertible into equity shares.*

Gouri Shanker Mishra., B.Com, MBA, FCS, LLB
Practicing Company Secretary
FCS No. 6906
C P No. 13581

Place: Chennai
Date: 31st August 2018

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

ANNEXURE - A

To

The Members,

California Software Company Limited

Our Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process 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. Where ever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure 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.

Gouri Shanker Mishra., B.Com, MBA, FCS, LLB
Practicing Company Secretary
FCS No. 6906
C P No. 13581

Place: Chennai
Date: 31st August 2018

ANNEXURE – II
EXTRACTS FROM NOMINATION AND REMUNERATION POLICY

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.

Scope of Application

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

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.

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

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.

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.

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.

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.

Appointment and removal of Director, KMP and Senior Management

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.

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.

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.

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.

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:
    - Knowledge to perform the role;
    - Time and level of participation;
    - Performance of duties and level of oversight; and
    - Professional conduct and independence.
    - The Board / Independent Directors shall be asked to complete the evaluation forms and submit the same to the Chairman.
    - 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 – III

Form No. MGT - 9

EXTRACT OF ANNUAL RETURN as on the financial year ended on March 31, 2017

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

I.	**REGISTRATION AND OTHER DETAILS**	
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	**California Software Company Limited,** 2nd Floor, Unit 9, STPI Building, 5 Rajiv Gandhi Road, Taramani, Chennai 600113
vi)	Whether listed company	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	**M/s.Integrated Registry Management Services Private Limited,** 2nd Floor, Kences Towers, 1,Ramakrishna Street, North Usman Road, T. Nagar, Chennai-600017 Phone:044-2814 0801-03, Fax: 044- 2814 2479 email: **yuvraj@integratedindia.in**
II.	**PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**	Information Technology Enabled Services
	All the business activities contributing 10% or more of the total turnover of the Company	**Software Development** **Implementation** **Support** **Validation and Testing**
III.	**PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**	
		Holding Company - Kemoil Limited, Hongkong until September 2017.
		Subsidiary companies: Aspire Communications Private Limited, Mysore, India Associated companies: Aspire Peripherals Pvt Ltd.
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

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAK UP AS PERCENTAGE OF TOTAL EQUITY)		
	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
V. INDEBTEDNESS		
	Indebtedness of the Company including interest outstanding / accrued but not due for payment.	As per Annexure - F

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL		
	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 /	NiL

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

The Company has made delayed filing of Shareholding Pattern for quarter ended March 2018 to both Stock Exchanges, i.e. BSE Limited and National Stock Exchange of India Limited and both the exchanges has imposed fin.

ANNEXURE A
CATEGORY-WISE SHAREHOLDING PATTERN

CATEGORY OF SHARE HOLDER	NO. OF SHARE HOLDERS	TOTAL NO. OF SHARES	TOTAL NO. OF SHARES HELD IN DEMATERIALIZED FORM	SHAREHOLDING AS A %		OTHERWISE	
				AS A% OF (A+B)	AS A% OF A+B+C	NUMBER OF SHARES	AS A% OF TOTAL NO. OF SHARES
(A) Shareholding of Promoter and Promoter Group							
(1) Indian							
Family		-	-	-	-	-	-
Government(s)		-	-	-	-	-	-
Bodies Corporate		-	-	-	-	-	-
Financial Institutions / Banks		-	-	-	-	-	-
Any Others (Specify)		-	-	-	-	-	-
Sub Total		-	-	-	-	-	-
(2) Foreign							
Individuals / Foreign Individuals)	1	5,536,673	5,536,673	44.78	44.78	-	-
Bodies Corporate		-	-	-	-	-	-
Institutions		-	-	-	-	-	-
Qualified Foreign Investor		-	-	-	-	-	-
Any Others (Specify)		-	-	-	-	-	-
Sub Total	**1**	**5,536,673**	**5,536,673**	**44.78**	**44.78**	-	-
Promoter and Promoter Group (A)	**1**	**5,536,673**	**5,536,673**	**44.78**	**44.78**	-	-
(B) Public Shareholding							
(1) Institutions							
Mutual Funds / UTI	1	300	-	-	-	-	-
Financial Institutions / Banks		-	-	-	-	-	-
Government(s)		-	-	-	-	-	-
Venture Capital Funds		-	-	-	-	-	-
Insurance Companies		-	-	-	-	-	-
Investors		-	-	-	-	-	-
Investors		-	-	-	-	-	-
Qualified Foreign Investor		-	-	-	-	-	-
in Ch. XA of SEBI (ICDR) Regulations)		-	-	-	-	-	-
Market Makers		-	-	-	-	-	-
Any Others (Specify)		-	-	-	-	-	-
Sub Total	**1**	**300**	**-**	**-**	**-**	**-**	**-**
(2) Non-Institutions							
Bodies Corporate		-	-	-	-	-	-
Individuals		-	-	-	-	-	-
Individual shareholders capital up to Rs. 1 lakh	0	-	-	-	-	-	-
Individual shareholders capital in excess of Rs. 1 lakh	4895	5,760,659	5,646,979	46.59	46.59	-	-
Qualified Foreign Investor		-	-	-	-	-	-
Any Others (Specify)	101	1,067,374	1,067,274	8.63	8.63	-	-
Sub Total	**4,996**	**6,828,033**	**6,714,253**	**55.22**	**55.22**	**-**	**-**
Total Public shareholding (B)	**4,997**	**6,828,333**	**6,714,253**	**55.22**	**55.22**	**-**	**-**
Total (A)+(B)	**4,998**	**12,365,006**	**12,250,926**	**100**	**100**	**-**	**-**
(B) Shares held by Custodians and against which Depository Receipts have been issued-m	-	-	-	-	-	-	-
Sub Total		**-**	**-**	**-**	**-**	**-**	**-**
Total (A)+(B)+(C)	**4,998**	**12,365,006**	**12,250,926**	**100**	**100**	**-**	**-**

ANNEXURE B
SHAREHOLDING OF PROMOTORS

CATEGORY OF SHARE HOLDER	NO. OF SHARE HOLDERS	TOTAL NO. OF SHARES	TOTAL NO. OF SHARES HELD IN DEMATERIALIZED FORM	TOTAL NO. OF SHAREHOLDING AS A		SHARES PLEDGED OR OTHERWISE	
				AS A% OF (A+B)	AS A% OF A+B+C	NUMBER OF SHARES	AS A% OF TOTAL NO. OF
Shareholding of Promoter and Promoter Group							
Individuals (Non-Residents Individuals / Foreign Individuals)	1	5,536,673	5,536,673	44.78	44.78	-	-

ANNEXURE C
CHANGE IN PROMOTORS SHAREHOLDING

PARTICULARS	Opening Balance		Increase / Decrease		Closing Balance	
	Shares	%	Shares	%	Shares	%
Mr. Vasudevan Mahalingam: Opening Balance as on 01-04-2017						
20-11-2017			521	0.00	521	0.00
25-11-2017			6306152	51.47	6306673	51.48
02-12-2017			-20000	-0.16	6286673	51.32
17-03-2018			-750000	-6.12	5536673	44.78
Closing Balance as on 31-03-2018	0	0	5536673	44.78	5536673	44.78

ANNEXURE D

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	Vinayak Gopalakrishna Kudva						
	Opening Balance as on 01-04-2017	0	0				
	05-08-2017			2886937	23.35	2886937	23.35
	02-12-2017			-160000	-1.29	2726937	22.05
	12-02-2018			-300000	-2.43	2426937	19.63
	17-03-2018			47209	0.38	2474146	20.01
	Closing Balance as on 31-03-2018					2474146	20.01
2	Shivmani Vinimay Private Limited						
	Opening Balance as on 01-04-2017	0	0				
	17-03-2018			750000	6.07	750000	6.07
	Closing Balance as on 31-03-2018					750000	6.07
3	Santosh S						
	Opening Balance as on 01-04-2017	0	0.00				
	23-03-2018			336743	2.72	336743	2.72
	Closing Balance as on 31-03-2018					336743	2.72
4	Vinayak G Kudva						
	Opening Balance as on 01-04-2017	0	0.00				
	12-02-2018			289915	2.34	289915	2.34
	Closing Balance as on 31-03-2018					289915	2.34
5	Jayasree Santhosh						
	Opening Balance as on 01-04-2017	0	0.00				
	24-02-2018			175163	1.42	175163	1.42
	03-03-2018			34890	0.28	210053	1.70
	10-03-2018			-11591	-0.09	198462	1.61
	23-03-2018			-20000	-0.16	178462	1.44
	30-03-2018			-20000	-0.16	158462	1.28
	Closing Balance as on 31-03-2018					158462	1.28

6	Equirus Securities Private Limited						
	Opening Balance as on 01-04-2017	0	0.00				
	23-12-2017			89457	0.72	89457	0.72
	30-12-2017			-43543	-0.35	45914	0.37
	03-02-2018			164800	1.33	210714	1.70
	17-03-2018			-45914	-0.37	164800	1.33
	Closing Balance as on 31-03-2018					164800	1.33
7	Geeta Rajiv Bhatia	0	0	64781	0.52	64781	0.52
8	Pasupathy Raju	0	0	57700	0.47	57700	0.47
9	George PJ	120000	0.98	-70000	0.58	50000	0.40
10	Rajiv Bhatia	0	0	49886	0.40	49886	0.40

ANNEXURE E

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
P J George	120,000	0.97	50,000	0.4
Vasudevan Mahalingam	0	0	5,536,673	44.77
Pasupathy Raju	0	0	57,700	0.47
Keerti Saraswat	0	0	16,934	0.13
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
None of the KMPs hold	–	–	–	–

ANNEXURE F

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the	**1-Apr-16**	**1-Apr-16**	**1-Apr-16**	**1-Apr-16**
i) Principal amount	0	351,598,030	0	351,598,030
ii) Interest due but not paid	0	5,716,277	0	5,716,277
iii) Interest accrued but not due		12,365,569	0	12,365,569
Total (i + ii + iii)	0	369,679,876		369,679,876
Change in Indebtedness during the				
Addition	0	4,891,457		4,891,457
Reduction	0	-23,491,356		-23,491,356
Net Change	0	28,382,813		28,382,813
Indebtedness at the end of the financial	**31-Mar-17**	**31-Mar-17**	**31-Mar-17**	**31-Mar-17**
i) Principal amount	0	336,646,781		336,646,781
ii) Interest due but not paid	0	14,433,196		14,433,196
iii) Interest accrued but not due	0			0
Total (i + ii + iii)	0	351,079,977	0	351,079,977

V REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and / or Manager

Sl.No.	Particulars of Remuneration	Dr. Vasudevan Mahalingam
	Gross Salary	
1	a) Salary as per provisions contained in Section17(1) of the IT. Act	–
	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	–
	TOTAL (A)	**0**

VI Remuneration of other Directors / Independent Directors

Sl.No.	Particulars of Remuneration	Name of the Directors				
		P J George	Pasupathy Raju	Keerti Saraswat	Timothy Allen	Total in $
1	Fee for attending Board / Committee Meetings	Nil	Nil	Nil	Nil	Nil
2	Commission	Nil	Nil	Nil	Nil	Nil
3	Others, please specify	Nil	Nil	Nil	Nil	Nil
	Total	Nil	Nil	Nil	Nil	Nil

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/-

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)
A. COMPANY	**The Company has made delayed filing of Shareholding Pattern for quarter ended March 2018 to both Stock Exchanges BSE Limited and National Stock Exchange of India Limited and both the exchanges has imposed each fine of Rs.1,45,650 plus applicable GST;**				
Penalty					
Punishment					
Compounding					
B. DIRECTORS	NIL				
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT	**NIL**				

ANNEXURE IV Form No AOC-2

RELATED PARTY TRANSACTION

[(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.

Sl.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	–

ANNEXURE V Form No AOC-1

FINANCIAL POSITION AND PERFORMANCE OF SUBSIDIARIES

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

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	01st April 2017 to 31st March 2018
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	(13,214,933)
6	Total assets	6,833,493
7	Total Liabilities	6,833,493
8	Investments	–
9	Turnover	72,565
10	Profit before taxation	71,932
11	Provision for taxation	–
12	Profit after taxation	–
13	Proposed Dividend	–
14	% of shareholding	100

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, 2018, 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

N. Balasubramanian
Partner, Membership No.023445

Chennai
August 31, 2018

CORPORATE GOVERNANCE REPORT

Good governance facilitates efficient, effective and entrepreneurial management that can deliver stakeholder value over the longer term. It is about commitment to values and ethical business conduct. It is a set of laws, regulations, processes and customs affecting the way a company is directed, administrated, controlled or managed.

Good corporate governance underpins the success and integrity of the organizations, institutions and markets. It is one of the essential pillars for building an efficient and sustainable environment.

Corporate Governance is based on the principles of integrity, fairness, equity, transparency, accountability and commitment to values. Good governance practices stem from the culture and mindset of the organization. The effectiveness of corporate governance in the company depends on regular review, preferably regular independent review. The company considers fair and transparent corporate governance as one of its most core management tenets.

The company has adopted a Code of Conduct for its Directors, Employees, consultants, vendors and customers and has also adopted a Code of Conduct to regulate, monitor and report trading by insiders and also a fair disclosure code. Some of the important best practices of Corporate Governance framework are timely and accurate disclosure of information regarding the financial position, performance, ownership and governance of the company.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last. The company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behaviour and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large.

Strong leadership and effective corporate governance practices have been the company's hallmark inherited from the Calsoft culture and philosophy.

The company has a strong legacy of fair, transparent and ethical governance practices. The company has adopted a Code of Conduct for its employees including the Managing Director and the Executive Directors. In addition, the company has adopted a Code of Conduct for its Non-Executive Directors which includes Code of Conduct for Independent Directors which suitably incorporates the duties of independent directors as laid down in the Companies Act, 2013 ("Act"). The company's corporate governance philosophy has been further strengthened through the Calsoft Business Excellence Model and the Calsoft Code of Conduct for Prevention of Insider Trading and the Code of Corporate Disclosure Practices ("Insider Trading Code"). The company has in place an Information Security Policy that ensures proper utilisation of IT resources.

The company is in compliance with the requirements stipulated under Regulations 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as applicable, with regard to corporate governance.

Philosophy on Code of Governance

The Corporate Governance philosophy of the company is based on the following principles:

- Follow the spirit of the law and not just the letter of the law. Corporate Governance standards should go beyond the law.
- Be transparent and maintain high degree of disclosure levels. When in doubt, disclose it.
- Make a clear distinction between personal convenience and corporate resources.
- Communicate externally, in a truthful manner, about how the company is run internally.

- Have a simple and transparent corporate structure driven solely by business needs.
- Comply with the laws in all the countries in which the company operates.
- Management is the trustee of shareholders' capital and not the owner.

Corporate Governance is an integral part of the philosophy of the company in its pursuit of excellence, growth and value creation. In addition to complying with the statutory requirements, effective governance systems and practices towards improving transparency, disclosures, internal control and promotion of ethics at work place have been institutionalized. The company recognizes that good governance is a continuing exercise and reiterates its commitment to pursue highest standards of Corporate Governance in the overall interest of all its stakeholders**.**

BOARD OF DIRECTORS

The Board of Directors determines the purpose and values of the company. The primary role of the Board is that of trusteeship to protect and enhance stakeholders' value through the strategic supervision of the company and its subsidiaries.

The company is headed by a Board that exercises leadership, integrity and judgment in directing to achieve continuing prosperity and to act in the best interest of the company. The Board plays a critical role in overseeing how the management serves the short and long-term interests of shareholders and other stakeholders. This is reflected in the company's governance practices, through which it strives to maintain an active, informed and independent Board. The Board ensures that the company complies with all relevant laws, regulations, governance practices, accounting and auditing standards. It identifies key risk areas and key performance indicators of the company's business and constantly monitors these factors.

The Board is entrusted with the ultimate responsibility of the management, general affairs direction and performance of the company and has been vested with the requisite powers, authorities and duties.

BOARD SIZE AND COMPOSITION

The Board of Directors ("Board") is at the core of the company's Corporate Governance practices and oversees how the management serves and protects the long-term interests of all the stakeholders. The company believes that an active, well informed and independent Board is necessary to ensure the highest standards of Corporate Governance.

The Board of the company has an optimum combination of Executive, Non-Executive and Independent Directors who have an in-depth knowledge of business, in addition to the expertise in their areas of specialization. During the year, majority of the Board comprised of Independent Directors. Independent Directors play a critical role in imparting balance to the Board processes by bringing independent judgments on issues of strategy, performance, resources, standards of the company, conduct etc.

During FY 2017-2018, the following Directors resigned from the Board.

- Mr. Fredrick Bendle resigned as Managing Director with effect from December 23, 2017
- Ms. Vijayapriya Narayanan resigned as Woman Independent Director with effect from December 23, 2017
- Mr. PJ. George resigned as Independent Director with effect from December 23, 2017

Composition of the Board and the Directorship(s) / Committee Membership(s) / Chairmanship(s) held as on March 31, 2018 is as follows:

- Dr. Pasupathy Raju has been appointed as an Independent Director with effect from June 08, 2017
- Ms. Keerti Saraswat has been appointed as a Woman - Independent Director with effect from June 08, 2017
- Dr. Mahalingam Vasudevan has been appointed as Managing Director & CEO with effect from December 23, 2017.
- Dr. Timothy Allen has been appointed as an Independent Director with effect from June 08, 2017 and he resigned from the board with effect from June 08, 2018.
- Mr. Prashant Khattar has been appointed as an Additional Director with effect from December 23, 2017 and he resigned from the board with effect from June 08, 2018.

Therefore, as on March 31, 2018, the Board consisted of 5 members, of which, one is the Promoter Director, Dr. M. Vasudevan, who is designated as Managing Director and Chief Executive Officer of the company.

The other 4 Directors are Independent Non-Executive Directors, of which one is Woman Independent Director

MEMBERSHIPS ON OTHER BOARDS

Executive Directors are also allowed to serve on the Board / Committee of Corporate(s) or Government bodies whose interest are germane to the future of software business, or on the Board of key economic institutions of the nation or whose primary objective is benefiting society.

Independent Directors are expected not to serve on the Board / Committees of competing companies. Other than this, there is no limitation on the Directorships / Committee memberships except those imposed by law and good corporate governance.

DIRECTORS RESPONSIBILITIES

In addition to the duties and responsibilities entrusted on the Directors of the company as per the provisions of the Companies Act, 2013, it is the elementary responsibility of the Board members to oversee the management of the company and in doing so, serve the best interests of the company and its stakeholders. This responsibility inter alia shall include:

- Reviewing and approving fundamental operating, financial and other corporate plans, strategies and objectives.
- Evaluating whether the corporate resources are being used only for appropriate business purposes.
- Establishing a corporate environment that promotes timely and effective disclosure (including robust and appropriate controls, procedures and incentives), fiscal responsibility, high ethical standards and compliance with all applicable laws and regulations.
- Evaluating the performance of the company and its senior executives and taking appropriate action, including removal, where warranted.
- Evaluating the overall effectiveness of the Board and its Committees.
- To attend the Board, Committee and shareholders meetings.

Exercise business judgment: In discharging their fiduciary duties of care and loyalty, the Directors are expected to exercise their business judgment to act in what they reasonably believe to be in the best interests of the company and its stakeholders.

Understand the company and its business: The directors have an obligation to remain informed about the company and its business, including the principal operational and financial objectives, strategies and plans of the company, relative standing of the business segments within the company and vis-a-vis the competitors of the company, factors that determine the company's success, results of operations and financial condition of the company and the significant subsidiaries and business segments.

Establish effective systems: The directors are responsible for determining that effective systems are in place for periodic and timely reporting to the Board on important matters concerning the company including the following:

- Current business and financial performance, degree of achievement of approved objectives and the need to address forward-planning issues.
- Compliance programs to assure the company's compliance with laws and corporate polices.
- Material litigation and governmental and regulatory matters.

BOARD MEETINGS - FUNCTIONING AND PROCEDURE

Board Meeting - Calendar: The probable dates of the board meetings for the forthcoming year are decided in advance and published as part of the Annual Report.

Board Meeting - Frequency: The Board meets at least once a quarter to review the quarterly results and other items of the agenda. Whenever necessary, additional meetings are held. In case of business exigencies or urgency of matters, resolutions are passed by circulation.

The company effectively uses teleconferencing facilities to enable the participation of Directors who could not attend the meetings due to some exigencies.

Board Meeting - Location: The location of the Board meetings is informed well in advance to all the Directors. Each director is expected to attend the Board meetings.

Board Meeting - Matters: All divisions / departments of the company are advised to schedule their work plans in advance, particularly with regard to matters requiring discussions / approval / decision of the Board / Committee meetings. All such matters are communicated to the company Secretary in advance so that the same could be included in the Agenda for the Board / Committee meetings.

Board material / Agenda distributed in advance: The agenda for each board meeting is circulated in advance to the Board members. All material information is incorporated in the agenda facilitating meaningful and focused discussions in the meeting. Where it is not practicable to attach any document in the agenda, the same is tabled before the meeting. Every board member is free to suggest items for inclusion in the agenda.

Presentations by management: The Board is given presentations covering finance, sales, marketing, major business segments and operations of the company, global business environment including business opportunities, business strategy and the risk management practices before taking on record the financial results of the company.

Access to employees: The directors are provided free access to officers and employees of the company. Management is encouraged to invite the company personnel to any Board meeting at which their presence and expertise would help the Board to have a full understanding of the matters being considered.

Availability of information to Board members: The information placed before the Board includes annual operating plans and budgets, including operating and capital expenditure budgets, quarterly financial results of the company both consolidated and standalone basis, financials of each of the subsidiaries and investments made by the subsidiaries, risk assessment and minimization procedures, update on the state of the market for the business and the strategy, minutes of subsidiaries, minutes of all the Board committees, related party

transactions, details of the treasury investments, details of foreign exchange exposure, update on statutory compliance report and reports of non-compliances, if any, information on recruitment / remuneration of senior officers, show cause / demand notices if any, details of joint ventures or collaboration agreements, significant changes in the accounting policies, sale of any material nature etc.

Post meeting follow-up mechanism: The guidelines for Board and Committee(s) meetings facilitate an effective post meeting follow up review and reporting process for the decisions taken by the Board and Committee(s) thereof. The important decisions taken at the Board / Committee(s) meetings are promptly communicated to the concerned departments / divisions.

Action taken report on the decisions of the previous meeting(s) is placed at the immediately succeeding meeting of the Board / Committee(s) for information and review by the Board / Committee(s).

Number of Board Meetings and the dates on which they were held

Seven Board Meetings were held during the financial year ended March 31, 2018. These were held on **May 29, 2017, August 14, 2017, September 28, 2017, November 14, 2017, December 23, 2017, January 31, 2018 and March 23, 2018**.

The following table gives the attendance record of the Board Meetings and the last Annual General Meeting

Name of Director	No. of board Meetings held	No. of board Meetings attended	Whether attended last AGM
Dr. Vasudevan Mahalingam	7	7	Attended
Dr. Pasupathy Raju	5	3	Not attended
Ms. Keerti Saraswat	5	4	Not attended
Dr. Tim Allen	5	3	Not attended
Mr. Fredrick Bendle	4	4	Attended
Ms. Vijayapriya	4	2	Attended
Mr. PJ George	4	4	Attended
Mr. Prashanth Khattar	3	3	Not attended

DECLARATION BY INDEPENDENT DIRECTORS

Every Independent Director, at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he meets the criteria of Independence as provided under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The company has received necessary declarations from each Independent Director that he / she meets the criteria of independence in terms of the above-mentioned provisions.

INDEPENDENT DIRECTORS' MEETINGS

In terms of the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and disclosure Requirements) Regulations, 2015, the Independent Directors of the company shall meet at least once in a year, without the presence of Executive Directors and members of management. The Independent Directors met on January 18, 2018 and inter-alia discussed

- the performance of non-Independent Directors and the Board as a whole;

- the performance of the Chairperson of the company, taking into account the views of Executive Directors and Non- Executive Directors; and
- 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.

Familiarization program for Independent Directors

The Directors are provided with necessary documents, reports and internal policies to enable them to familiarize with the company's procedures and practices. Further, periodic presentations are made at the Board and its Committee Meetings, on business and performance updates of the company, global business environment, business strategy and risks involved. Quarterly updates on relevant statutory changes are provided to the Directors in the Board meetings.

Upon appointment, the Directors are issued a Letter of Appointment setting out in detail the terms of employment including their roles, function, responsibilities and their fiduciary duties as a Director of the company.

The details of such familiarization programme for Independent Directors are posted on the website of the company and are available at https://www.calsoftgroup.com/investors/governancepolicies.

BOARD EVALUATION

The Board of Directors, pursuant to the provisions of the Companies Act, 2013 and Regulation 17 (10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has carried out an Annual Evaluation of its own performance, performance of the Board Committees and of the individual Directors (including the Independent Directors and the Chairperson).

The checklist for evaluation of the performance of the Board, the Committees of the Board and the individual Directors, including the Chairman of the Board was approved by the Nomination and Remuneration Committee (NRC) of the company (in accordance with the Guidance Note on Board Evaluation issued by SEBI on January 5, 2017).

The performance of the Board was evaluated by the Board after seeking inputs from all the directors based on the criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc. The performance of the Board Committees was evaluated by the Board after seeking inputs from the committee members based on the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The Board and the NRC reviewed the performance of the individual Directors based on the criteria such as the contribution of the individual Director to the Board and Committee meetings, preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

In a separate meeting of the Independent Directors, the performance of Non-Independent Directors, performance of the Board and performance of the Chairman was evaluated. The same was discussed in the Board meeting that followed the meeting of the Independent Directors, at which the performance of the Board, its committees and the individual directors was discussed.

BOARD DIVERSITY

The company recognizes its obligation to maintain a Board with a diversity of Directors. The company considers that the concept of diversity incorporates several different aspects, such as professional experiences, business perspectives, skills, knowledge, gender, age, cultural and educational background, ethnicity and length of service.

The company believes that Board diversity enhances decision making capability and a diverse Board is more effective in dealing with organizational changes and less likely to suffer from group thinking. The Board has adopted the Policy on Board Diversity which sets out the approach to diversity of the Board of Directors.

BOARD COMMITTEES

The Board Committees play a crucial role in the governance structure of the company and are being set out to deal with specific areas / activities which concern the company and need a closer review. They are set up under the formal approval of the Board to carry out their clearly defined roles.

The Board supervises the execution of its responsibilities by the committees and is responsible for their action.

As on March 31, 2018, the company had Six Board Committees viz. Audit Committee, Nomination & Remuneration Committee, Finance Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee.

During the year under review, two "Committee of Directors" were formed by the Board of Directors of the company in its meeting held on March 13, 2018, for the purpose of providing support and advise to the Management in the execution of the acquisition projects of the company. All observations, recommendations and decisions of the committees are placed before the Board for information or for approval.

Frequency and length of meeting of the Committees of the Board and Agenda

The Chairman of each Committee of the Board, in consultation with the Chairman of the Board and appropriate members of the management determine the frequency and length of the meetings of the Committees and develop the Committees agenda. The agenda of the Committee meetings is shared with all the members of the Committee.

Chairmanship / Membership of Directors in Committees of the Board of Directors of the company as on March 31, 2018:

S. No	Director	Audit Committee	Nomination & Remuneration Committee	Stakeholders' Relationship Committee	Corporate Social Responsibility Committee	Finance Committee	Risk Management Committee
1	Dr. Vasudevan M	MEMEBER	-	MEMEBER	CHAIRMAN	MEMEBER	CHAIRMAN
2	Dr. Pasupathy Raju	-	-	-	MEMEBER	CHAIRMAN	MEMEBER
3	Ms. Keerti Saraswat	CHAIRMAN	MEMEBER	CHAIRMAN	MEMEBER	MEMEBER	MEMEBER
4	Dr. Tim Allen	-	MEMEBER	-	-	-	-
5	Mr. Prashanth Kattar	MEMEBER	CHAIRMAN	MEMEBER	-	-	-

AUDIT COMMITTEE

During the financial year ended March 31, 2018, the Audit Committee met two times on November 14, 2017 and January 31, 2018.

The terms of reference of Audit Committee are as under:

Statutory Auditors

Recommend to the Board the appointment, reappointment and if required, the replacement or removal of the statutory auditors, including filing of a casual vacancy, fixation of audit fee / remuneration, terms of

appointment and also provide prior approval of the appointment of and the fees for any other services rendered by the statutory auditors. Provided that the statutory auditors shall not render services prohibited to them by Section 144 of the Companies Act, 2013 or by professional regulations.

The Audit Committee shall take into consideration the qualifications and experience of the firm proposed to be considered for appointment as auditors as specified under Section 141 of the Companies Act, 2013 and whether these are commensurate with the size, nature of business and requirements of the company and also consider any completed and pending proceedings against the proposed firm of auditors before the Institute of Chartered Accountants of India or any competent authority or any Court.

The Audit Committee shall recommend to the Board, the name of the audit firm who may replace the incumbent auditor on the expiry of their term.

Review and monitor independence and performance of statutory auditors and Effectiveness of Audit Process

In connection with recommending the firm to be retained as the company's statutory auditors, review and monitor the information provided by the management relating to the independence of such firm and performance and effectiveness of audit process, including, among other things, information relating to the non-audit services provided and expected to be provided by the statutory auditors.

The Audit Committee is also responsible for:

- Actively engaging in dialogue with the statutory auditors with respect to any disclosed relationship or services that may impact the objectivity and independence of the statutory auditors, and
- Recommending that the Board takes appropriate action in response to the statutory auditors' report to satisfy itself of their independence.

Review audit plan

Review with the statutory auditors their plans for, and the scope of, their annual audit and other examinations.

Conduct of audit

Discuss with the statutory auditors the matters required to be discussed for the conduct of the audit.

Review and examination of Audit Results

Review and examine with the management and the statutory auditors the proposed report on the annual audit, areas of concern, the accompanying management letter, if any, the reports of their reviews of the company's interim financial statements, and the reports of the results of such other examinations outside the course of the statutory auditors' normal audit procedures that they may from time to time undertake.

Review and examination of Financial Statements

Review and examination of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are accurate, sufficient and credible and evaluation of internal financial controls and risk management systems, to obtain reasonable assurance based on evidence regarding processes followed and their appropriate testing that such systems are adequate and comprehensive and are working effectively.

The Audit Committee shall review with appropriate officers of the company and the statutory auditors, the annual financial statements of the company prior to submission to the Board or public release thereof, focusing primarily on:

- Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Section 134(5) of the Companies Act, 2013.
- Any changes in accounting policies and practices and reasons for the same.
- Major accounting entries based on exercise of judgment by management.
- Qualifications in draft audit report.
- Significant adjustments made in the financial statements arising out of audit.

- The going concern assumption.
- Compliance with accounting standards.
- Compliance with stock exchange and legal requirements concerning financial statements.
- Any related party transactions i.e. transactions of the company with its subsidiaries, promoters or the management, or their relatives, etc. that may have conflict with the interest of the company at large.
- Contingent liabilities.
- Status of litigations by or against the company.
- Claims against the company and their effect on the accounts.

Review Quarterly Results

Reviewing with the management, the quarterly / interim financial statements before submission to the Board for approval.

Risk Management functions

The Audit Committee shall perform the following Risk Management Functions:

- Assist the Board in overseeing the responsibilities with regard to the identification, evaluation and mitigation of operational, strategic and external environmental risks.
- Review and approve the Risk management policy and associated framework, processes and practices.
- Assist the Board in taking appropriate measures to achieve a prudent balance between risk and reward in both ongoing and new business activities.
- Evaluate significant risk exposures including business continuity planning and disaster recovery planning.
- Assess management's actions in mitigating the risk exposures in a timely manner.
- Promote Enterprise-wide Risk Management and obtain comfort based on adequate and appropriate evidence that the Management of the company ensures the implementation and effective functioning of the entire risk management process and embedding of a comprehensive risk management culture in the company at every stage of its operations.
- Assist the Board in maintenance and development of a supportive culture, in relation to the management of risk, appropriately embedded through procedures, training and leadership actions so that all employees are alert to the wider impact on the whole organization of their actions and decisions.
- Maintain an aggregated view on the risk profile of the company / Industry in addition to the profile of individual risks.
- Ensure the implementation of and compliance with the objectives set out in the Risk Management Policy.
- Advise the Board on acceptable levels of risk appetite, tolerance and strategy appropriate to the size and nature of business and the complexity and geographic spread of the company's operations.
- Review and reassess the adequacy of this charter periodically and recommend any proposed changes to the Board for approval from time to time.

The Committee shall have access to any internal information necessary to fulfill its oversight role. As and when required the Committee may assign tasks to the Internal Auditor, the company's internal Risk Management

Team and any external expert advisors considered necessary for any task and they will provide their findings to the Committee.

Review the performance of the Internal and External Auditors

Review with the management the performance of the statutory and internal auditors and the existence, adequacy and effective functioning of the internal control systems including internal control system over financial reporting, based on appropriate and effective evidence and such other matters as may be required.

Oversight Role

Oversight of the company's financial reporting process and the disclosure of its financial information to ensure the financial statements are correct, sufficient and credible.

Review internal audit function

Review the adequacy of the internal audit function, including the structure of the internal audit department, adequate staffing and the qualifications, experience, authority and autonomy of the person heading the department, the reporting structure, coverage and frequency of internal audit.

Review Internal Audit plans

Review with the senior internal audit executive and appropriate members of the staff of the internal auditing department the plans for and the scope of their ongoing audit activities and also review and approve the periodicity and programme for conducting the internal audit.

Review Internal Audit reports

Review with the senior internal auditing executive and appropriate members of the staff of the internal auditing department, the periodic reports of the findings of the audit and reports and the necessary follow up and implementation of correction of errors and other necessary actions required. The Audit Committee shall also review the findings of any internal investigations by the internal auditors into the matters where there is suspected fraud or irregularity or a failure of the internal control system of a material nature and ensure that proper corrective action is taken. Any such matters shall be reported to the Board if necessary and appropriate.

Review systems of internal financial controls

Review with the statutory auditors, and the senior internal auditor to the extent deemed appropriate by the Chairman of the Audit Committee, the adequacy of the company's internal financial controls as defined in section 134 of the Companies Act, 2013.

Review and ensure the existence, adequacy and effective functioning of a Vigil Mechanism / Whistleblower Policy appropriate to the size, complexity and geographic spread of the company and its operations

The Vigil mechanism / Whistle-blower Policy set up / formulated by the company shall provide for adequate safeguards against victimization of all persons referring any matter under the mechanism and shall also provide for direct access to the Chairman of the Audit Committee in appropriate or exceptional cases. Matters referred, and the action taken shall be regularly reported to the Audit Committee once a quarter or more frequently. The mechanism and policy shall cover whistle blower and complaint references of all kinds, including alleged fraud by or against the company, abuse of authority, misbehaviour, ill treatment and unfair treatment of all kinds including all allegations and charges of harassment, sexual or otherwise, whether made by a named complainant or anonymously. Complaints which are prima facie frivolous in the view of the Ethics Committee of the company or other committee or group of individuals responsible for investigating complaints and taking suitable action may be closed with appropriate reasons recorded. If any of the members of the Audit Committee have a conflict of interest in a given case, they should recuse themselves and the others on the Audit Committee would deal with the matter on hand.

Review other matters

Review such other matters in relation to the accounting, auditing and financial reporting practices and procedures of the company as the Audit Committee may, in its own discretion, deem desirable in connection with the review functions described above.

Reporting to Board

Report its activities to the Board in such manner and at such times, as it deems appropriate.

Investigation

The Audit Committee has the authority to investigate any matter in relation to the items specified in Section 177 of the Companies Act, 2013 or referred to it by the Board and for this purpose; it shall have full access to the information contained in the records of the company. It may also investigate any activity within its term of reference. It has the authority to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (for nonpayment of declared dividends) and creditors, if any and any other instance of a failure of legal compliance.

Seek information / advice

The Audit Committee may seek information from any employee and may obtain from external independent sources any legal or other professional advice it considers necessary in the performance of its duties.

It may also secure attendance of independent professional persons with suitable qualifications and relevant experience in specific matters, if it considers this necessary.

Approval for appointment of Chief Financial Officer

The Audit Committee shall approve the appointment of the Chief Financial Officer of the company (the whole time Finance Director or any other person heading the finance function) after assessing the qualifications, experience and background etc. of the candidate.

Review and monitor the Statement of Uses and Application of Funds

Review and monitor, with the management, the statement of uses / application of funds raised through an issue (public, rights, preferential issue etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of the public issue or rights issue, and make appropriate recommendations to the Board.

Review of other Information

The Audit Committee shall mandatorily review the following information:

- Management discussion and analysis of financial condition and results of operation.
- Statement of significant (material) related party transactions submitted by the management.
- Management letters / letters of internal control weaknesses issued by the statutory auditors.
- Internal audit reports relating to internal control weaknesses.
- The appointment, removal and terms of remuneration of the Chief Internal Auditor of the company.
- Inter- corporate loans and investments.
- Valuation of undertakings and assets of the company whenever necessary.

Basis of Related Party Transactions

- The statement in summary form of transactions with related parties in the ordinary course of business shall be placed periodically before the Audit Committee.
- Details of individual transactions with related parties, which are not in the normal course of business, shall be placed before the audit committee.

- Details of individual transactions with related parties or others, which are not on an arm's length basis shall be placed before the Audit Committee together with the management's justification for the selection of the related party and the price and other terms agreed.
- The Audit Committee shall be responsible for the approval or any subsequent modification of ALL transactions of the company with related parties.
- On satisfying itself adequately regarding the reasons for the related party transactions
- undertaken and the terms and conditions agreed including price and the observation of the arm's length principle, with suitable explanations for any departures, the Audit Committee shall periodically approve the related party transactions.

To attend Annual General Meeting

The Chairman of the Audit Committee shall attend the annual general meetings of the company to provide any clarification on matters relating to its scope sought by the members of the company.

The statutory auditors of the company shall be special invitees to the Audit Committee meetings, and they shall participate in discussions related to the audit and reviews of the financial statements of the company and any other matter that in the opinion of the statutory auditors needs to be brought to the notice of the Audit Committee or any matter in which they are invited by the Audit Committee to participate.

Subsidiary Companies

The Audit Committee of the holding company shall also review the financial statements, in particular the inter-corporate loans and investments made by or in the subsidiary companies.

Reporting of Fraud by the Auditors

In case the auditor of the company has sufficient reason to believe that an offence involving fraud is being or has been committed against the company by officers or employees of the company, or by the company, the auditor shall forward his report to the Audit Committee and the Audit Committee shall send its reply or observations to the auditor and such matters shall be reported to the Board by the Audit Committee.

Cost Auditor

If the company is required by the Companies Act, 2013 or other legal provision to appoint a cost auditor to have a cost audit conducted, the Audit Committee shall taking into consideration the qualifications and experience of the person proposed for appointment as the cost auditor and recommend such appointment to the Board, together with the remuneration to be paid to the cost auditor.

Review of the Terms of Reference of the Audit Committee

The Audit Committee shall review and reassess the adequacy of the terms of reference of the Audit Committee on a periodical basis, and where necessary obtain the assistance of the management, the Group's external auditors and external legal counsel.

Three meetings of the Audit Committee were held during the financial year under review.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Terms of Reference of the CSR Committee are as under:

- Formulate and recommend to the Board, a CSR Policy.
- Recommend the amount of expenditure to be incurred on CSR activities.
- Institute a transparent monitoring mechanism for implementation of CSR projects or programs or activities undertaken by the company.
- Monitor CSR policy from time to time.

During the financial year ended March 31, 2018, the CSR Committee met two times on September 26, 2017 and December 11, 2017.

NOMINATION AND REMUNERATION COMMITTEE

The Terms of Reference of the Nomination and Remuneration Committee are as under:

- Succession planning for certain key positions in the company viz. Directors, Chief Executive Officer (CEO), Chief Operating Officer (COO), Chief Financial Officer (CFO) and Senior Management. The Committee to identify, screen and review candidates, inside or outside the company and provide its recommendations to the Board.
- Review and recommend to the Board the appointment and removal of directors / Key Managerial Personnel and persons in senior management. “Senior Management” shall mean corporate officers of the company.
- Carry out evaluation of all Directors and Board performance.
- Recommend to the Board a policy relating to remuneration of Directors, Key Managerial Personnel and other employees.

The Nomination and Remuneration Committee while formulating the aforesaid policy shall 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;
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- Remuneration to Directors, Key Managerial Personnel 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.
- Formulate the criteria for determining the qualifications, positive attributes and independence of Directors.
- Devise a Policy on Board Diversity.
- Review and approve / recommend the remuneration for the Corporate Officers, / Whole-Time Directors of the company.
- Approve inclusion of senior officers of the company as Corporate Officers.
- Approve promotions within the Corporate Officers.
- Regularly review the Human Resource function of the company.
- Approve grant of stock options to the employees and / or Directors (excluding Independent Directors and Promoter Directors) of the company and subsidiary companies and perform such other functions and take such decisions as are required under the various Employees Stock Option Plans of the company.

- Discharge such other function(s) or exercise such power(s) as may be delegated to the Committee by the Board from time to time.
- Make reports to the Board as appropriate.
- Review and reassess the adequacy of this charter periodically and recommend any proposed changes to the Board for approval from time to time.

During the financial year ended March 31, 2018, the Nomination and Remuneration Committee met two times on September 21, 2017 and January 16, 2018.

Remuneration Policy and criteria of making payments to Executive and Non-Executive Directors

The remuneration policy of the company is aimed at rewarding performance, based on a review of achievements on a regular basis and is in consonance with existing industry practices.

The criteria for making payments to Executive and Non-Executive Directors of the company are as under:

Executive Directors

The remuneration of the Executive Directors is recommended by the Nomination and Remuneration Committee to the Board and after approval by the Board the same is put up for shareholders' approval. Executive Directors do not receive any sitting fees for attending the Board and Committee meetings.

During the year, the Board comprised of one Executive Director. There are no separate provisions for the service of notice period and payment of severance fee by the Executive Directors at the time of their termination.

No remuneration has been paid to Executive Directors for the year ended March 31, 2018 from the company / subsidiaries.

Non-Executive Directors:

During the year, the company not paid any sitting fees to its Non- Executive Directors for attending the meetings of the Board of Directors, Audit Committee and Finance Committee of the company. The company also not paid commission to its Non-Executive Directors.

FINANCE COMMITTEE

The Terms of Reference of the Finance Committee are as under:

- To review and approve the capital structure plans and specific equity and debt financings and recommend the same for approval to the Board.
- To review and approve the annual budgets and other financial estimates and provide its recommendations to the Board.
- To review the actual performance of the company against the budgets.
- To review and approve the capital expenditure plans and specific capital projects and recommends the same to the Board for approval.
- To evaluate the performance of and returns on approved capital expenditure.
- To consider and approve the proposal which involves funding assets on operating and / or financial lease in the normal course of business.
- To review and approve the proposals for mergers, acquisitions and divestitures and provide its recommendations to the Board.
- To evaluate the performance of acquisitions.

- To consider and approve the proposals for fresh investments by way of infusion of capital and / or providing of loan and any further investments (by capital / loan) in wholly owned subsidiaries / Branches and providing any guarantees for funding the same.
- To evaluate the performance of subsidiaries / JVs / Branches.
- To plan and strategies for managing the foreign exchange exposure – The Committee to approve the hedging policy and monitor its performance.
- To approve the investment policy and review the performance thereof.
- To recommend dividend policy to the Board.
- To review and approve the insurance coverage and program for the company.
- To consider and approve the guarantees / bonds provided by the company either directly or through banks in connection with the company's business.
- To approve opening / closing of bank accounts of the company and change in signatories for operating the bank accounts.
- To perform any other activities or responsibilities assigned to the Committee by the Board of Directors from time to time.
- To delegate authorities from time to time to the Executives / Authorised persons to implement the decisions of the Committee within the powers authorised above.

During the financial year ended March 31, 2018, the Committee met 4 times on April 26, 2017, September 21, 2017, January 17, 2018 and March 13, 2018.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee has been formed to undertake the following activities:

- To review and take all necessary actions for redressal of grievances and complaints of Security Holders as may be required in the interests of the security holders.
- To approve requests of re-materialisation of shares / securities, issuance of split and duplicate shares / security certificates.

During the year under review, the Committee met 2 times on November 14, 2017 and January 31, 2018.

Name, Designation and Address of Compliance Officer

Jithendra Kumar Pal

company Secretary

California Software company Limited

Investors' Grievances

During the financial year ended March 31, 2018, no compliments have been received by the company:

RISK MANAGEMENT COMMITTEE

The terms of reference of the Risk Management Committee are as follows:

- To assist the Board of Directors ("Board") in overseeing the responsibilities with regard to the identification, evaluation and mitigation of operational, strategic and external environmental risks.
- To assist the Board in taking appropriate measures to achieve a prudent balance between risk and reward in both ongoing and new business activities.
- To review and approve the Risk Management Policy and associated framework, processes and practices.
- To evaluate significant risk exposures including business continuity planning and disaster recovery planning.
- To assess management's actions in mitigating the risk exposures in a timely manner.
- To promote Enterprise-wide Risk Management and obtain comfort based on adequate and appropriate evidence that the Management of the company ensures the implementation and effective functioning of the entire risk management process and embedding of a comprehensive risk management culture in the company at every stage of its operations.
- To assist the Board in maintenance and development of a supportive culture, in relation to the management of risk, appropriately embedded through procedures, training and leadership actions so that all employees are alert to the wider impact on the whole organization of their actions and decisions.
- To maintain an aggregated view on the risk profile of the company / Industry in addition to the profile of individual risks.
- To ensure the implementation of and compliance with the objectives set out in the Risk Management Policy.
- To advise the Board on acceptable levels of risk appetite, tolerance and strategy appropriate to the size and nature of business and the complexity and geographic spread of the company's operations.
- To review and reassess the adequacy of this charter periodically and recommend any proposed changes to the Board for approval from time to time.
- The Committee shall have access to any internal information necessary to fulfill its oversight role. As and when required the Committee may assign tasks to the Internal Auditor, the company's internal Risk management team and any external expert advisors considered necessary for any task and they will provide their findings to the Committee.

During the year under review, the Committee met once i.e. on November 11, 2017.

SUCCESSION PLANNING

Succession Planning aids the company in identifying and developing internal people with the potential to fill certain key positions in the company viz. Chief Executive Officer and Chief Financial Officer. It increases the availability of experienced and capable employees that are prepared to assume these roles as they become available. Succession Planning is a part of the charter of the Nominations & Remuneration Committee of the company. The Committee shall identify, screen and review candidates, inside or outside the company and provide its recommendations to the Board.

INDEPENDENCE OF STATUTORY AUDITORS

The Board ensures that the statutory auditors of the company are independent and have an arm's length relationship with the company.

MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS

There have been no materially significant related party transactions, monetary transactions or relationships between the company and its Directors, management, subsidiary or relatives, except for those disclosed in the financial statements for the financial year 2017-18. Detailed information on materially significant related party transactions is enclosed in Annexure 2 to the Board Report. A Policy on Related Party Transactions formulated pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into by the company with the Stock Exchanges and approved by the

Board is available on the website of the company at https:// www.calsoftgroup.com/investors/governance-policies.

CODE OF BUSINESS ETHICS AND CONDUCT

The Board has prescribed a Code of Business Ethics and Conduct (COBEC) that provides for transparency, ethical conduct, a gender friendly workplace, legal compliance and protection of company's property and information. COBEC is a set of guiding principles and covers all directors, employees, third party vendors, consultants and customers across the world. For Independent Directors the COBEC also includes duties as mentioned in Schedule IV of the Companies Act, 2013. COBEC is periodically reviewed taking into account the prevailing business and ethical practices.

The Code is posted on the website of the company https://www.calsoftgroup.com/investors/governance-policies.

All Board members and senior management personnel have confirmed compliance with the Code for the financial year ended March 31, 2018. A declaration to this effect signed by the Managing Director and Chief Executive Officer of the company is provided elsewhere in this Report.

CODE FOR PREVENTION OF INSIDER TRADING

The company has comprehensive guidelines on prevention of insider trading in line with the SEBI (Prohibition of Insider Trading) Regulations, 2015. The Code of Conduct to Regulate, Monitor and Report Trading by Insiders ('Insider Trading Code') for prevention of insider trading inter-alia prohibits purchase / sale of shares of the company by employees / Directors while in possession of unpublished price sensitive information in relation to the company.

The company, within two working days of receipt of the information under the Initial and Continual disclosures from Directors, discloses the same to all the Stock Exchanges, where the shares of the company are listed.

ANTI-BRIBERY POLICY AND ANTI-CORRUPTION POLICY

To ensure the company's policy for conducting its business activities with honesty, integrity and highest possible ethical standards and company's commitment towards prevention, deterrence and detection of fraud, bribery and other corrupt business practices, the company has in place an Anti-Bribery and Anti-Corruption Policy that applies to the employees at all levels, Directors, consultants, agents and other persons associated with the company, its affiliates and subsidiaries.

This Policy covers matters relating to hospitality, offset obligations, employment of relatives, guidance on gifts, political / charitable contributions, extortion / blackmail responses etc. The policy is available on the website of the company at https://www.calsoftgroup.com/ investors/governance-policies.

PREVENTION AND REDRESAL OF SEXUAL HARASMENT AT WORK PLACE POLICY

In order to provide a safe and healthy work environment free of any hassles and all kinds of harassment including sexual harassment and to prevent and redress such harassment complaints, the company has in place Prevention and Redressal of Sexual Harassment at Work Place Policy. This policy applies to all employees of the company, its group companies and joint ventures operating out of India like regular, temporary, ad hoc, daily wagers, contractual staff, vendors, clients, consultants, trainees, probationers, apprentices, contract labour and also all visitors to the company.

Any complaints about harassment shall be treated under this Policy. This Policy is not confined to the actual working place of the employees in the sense of the physical space in which paid work may be performed as per the prescribed duty hours but also includes any place visited by the employee arising out of or during the course of employment. The company has constituted a committee for the redressal of all sexual harassment complaints. These matters are also being reported to the Audit Committee. During the year ended March 31, 2018, the company has received xx complaints on sexual harassment that were classified as significant incidents for investigation, all of which were disposed and appropriate actions taken and no complaints remain pending as of March 31, 2018.

WHISTLE BLOWER POLICY

The principles of trust through transparency and accountability are at the core of the company's existence. To ensure strict compliance with ethical and legal standards across the company, a Whistle Blower Policy is in place to provide appropriate avenues to the Directors, employees, contractors, contractors' employees, clients, vendors, internal or external auditors, consultants, law enforcement / regulatory agencies or other third parties to bring to the attention of the management any issues which are perceived to be of unethical behaviour, actual or suspected fraud or violation of the company's Code of Business Ethics and Conduct. All cases registered under the Whistle Blower Policy of the company are reported to the external Ombudsperson who carries out preliminary investigations. Complaints received against senior management staff are overseen by the Chairman's Office and those against other employees / staff by the Chief Ethics Officer of the company. The Whistle Blower has direct access to the Chief Ethics Officer and the Ombudsperson as well as the senior management to share complaint details. The identity of the Whistle Blower is kept confidential. The Audit Committee reviews the policy and its implementation on periodic basis and is provided a quarterly update on the status of various complaints received and investigated. The policy is available on the website of the company at https://www.calsoftgroup.com/ investors/governance-policies.

OBSERVANCE OF THE SECRETARIAL STANDARDS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA

The Institute of company Secretaries of India has issued Secretarial Standards on Board Meeting (SS-1) and General Meeting (SS-2) which were made compulsory for all companies by the Ministry of Corporate Affairs. The Institute has also issued Secretarial Standard on Dividend (SS-3), which is however not compulsory. The company adheres to these standards.

DISCLOSURES

Related party transactions

During the year under review, the company has not entered into any transaction of a material nature with its subsidiaries, promoters, Directors, the management, senior management personnel, their relatives, etc., that may have any potential conflict with the interest of the company. The company has obtained requisite declarations from all Directors and senior management personnel in this regard and the same were placed before the Board of Directors.

Compliances by the company

The company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters relating to capital markets during the last three years. No penalties or strictures have been imposed on the company by the Stock Exchanges, SEBI or any other statutory authorities relating to the above.

Other Disclosures

1. The company has in place the Whistle Blower Policy and no personnel has been denied access to the Audit Committee.

2. During the year, the company did not raise any money through public issue, right issues or preferential issues and there was no unspent money raised through such issues.

3. In terms of the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company has in place an "Archival Policy" and a "Policy for Determination of Materiality of Events or Information". Both the policies are available on the website of the company at https://www.calsoftgroup.com/ investors/governance-policies.

GENERAL BODY MEETINGS

The location and time of the Annual General Meetings/ Extra General Body Meeting held and details of Special Resolution passed thereat during the preceding 3 years are as follows:

Financial Year	Date	Time	Venue	Details of special resolution passed
2015-2016	September 28, 2016	9.30 AM	Registered office	Change of statutory auditors
2016-2017	September 28, 2017	10.00 AM	Registered office	No Special Resolution
2017-2018	December 23, 2017	10.30 AM	Registered office	1. INCREASE IN AND RECLASSIFICATION OF THE AUTHORISED SHARE CAPITAL OF THE COMPANY 2. ALTERATION OF ARTICLES OF ASSOCIATION 3. ACQUISITION OF CORDITE PTE LIMITED 4. ACQUISITION OF CORDITE PTE LIMITED 5. CONVERSION OF UNSECURED LOANS INTO OPTIONALLY CONVERTIBLE REDEEMABLE PREFERENCE SHARES (OCRPS) 6. ISSUANCE OF OPTIONALLY CONVERTIBLE REDEEMABLE PREFERENCE SHARES (OCRPS) 7. INVESTMENT(S), LOANS, GUARANTEES AND SECURITY IN EXCESS OF LIMITS SPECIFIED UNDER SECTION 186 OF COMPANIES ACT, 2013 8. SALE, TRANSFER OR DISPOSAL OF THE SHARES HELD BY THE COMPANY IN ITS SUBSIDIARY 9. APPROVAL OF INCREASE OF EQUITY INVESTMENT PERCENTAGE TO FOREIGN INSTITUTIONAL INVESTORS (FIIS) / FOREIGN PORTFOLIO INVESTORS (FPIs) 10. APPROVAL OF FURTHER ISSUE OF SHARES OR CONVERTIBLE SECURITIES TO FOREIGN INSTITUTIONAL INVESTORS (FIIS)/ QUALIFIED INSTITUTIONAL BUYERS (QIBs) 11. APPROVAL OF EMPLOYEE STOCK OPTION (ESOP) SCHEME UNDER SEBI (SHARE BASED EMPLOYEE BENEFITS) REGULATIONS, 2014

Details of resolutions passed through Postal Ballot

During the year, the company sought the approval of the shareholders by way of a Special Resolution through postal ballot / remote e-voting facility. The special resolution was duly approved with requisite majority on December 23, 2017.

Mr. VS. Sowrirajan, Practicing company Secretary, FCS No. 2368/CP6482 was appointed as the Scrutinizer for conducting the Postal Ballot / remote e-voting process in accordance with the Companies Act, 2013 and Companies (Management and Administration) Rules, 2014 made thereunder in a fair and transparent manner.

The result of postal ballot / e-voting was published in the newspapers within 48 hours of the declaration of the results and was also placed on the website of the company at www. calsoftgroup.com, besides being communicated to Stock Exchanges, Depository and its Registrar and Share Transfer Agent.

Subsidiary companies and Policy on Material Subsidiary

The company has formulated and adopted a Policy for determining Material Subsidiary in line with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Policy aims to set out the principles for determining a material subsidiary. The Policy on the Material Subsidiary is available on the website of the company at https:// https://www.calsoftgroup.com/investors/governance-policies.

CEO / CFO Certification

The Certificate as stipulated in Regulation 17 (8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Part B of Schedule II was placed before the Board along with the financial statements for the financial year ended March 31, 2018 and the Board reviewed the same. The said Certificate is provided elsewhere in the Annual Report.

MEANS OF COMMUNICATION

Quarterly Results: Quarterly Results of the company are generally published inter alia, in Economic Times and The Hindu

Website: company's corporate website https://www.calsoftgroup.com provides comprehensive information on company's portfolio of businesses. The website has an entire section dedicated to company's profile, its core values, corporate governance, business lines and Industry sections. An exclusive section on 'Investors' enables them to access information at their convenience. The entire Reports as well as quarterly, half yearly, annual financial statements, releases and shareholding pattern are available in downloadable format as a measure of added convenience to the investors.

News Releases, Presentations, etc.: Official news releases, detailed presentations made to media, analysts, institutional investors, etc. are displayed on the company's website www.calsofttgroup. Official media releases are also sent to the Stock Exchanges.

Annual Report: Annual Report containing, inter alia, Audited Annual Accounts, Consolidated Financial Statements, Director's Report, Auditor's Report, Management Discussion and Analysis Statement, Corporate Governance Report and other important information is circulated to members and others entitled thereto. The Annual Report of the company is available on the company's website in a user-friendly and downloadable form.

Intimation to the Stock Exchanges: The company intimates the Stock Exchanges all price sensitive information or such other matters which in its opinion are material and of relevance to the Shareholders.

NSE Electronic Application Processing System: As per the mandate received from National Stock Exchange of India Limited ('NSE'), the company has been uploading its financial information, shareholding pattern, Report on Corporate Governance and press releases on the dedicated website of NSE i.e. https://connect2nse.com/ LISTING.

Online Portal-BSE Corporate Compliance & Listing Centre: As per the mandate received from BSE Limited ('BSE'), the company has been uploading its financial information, shareholding pattern, Report on Corporate Governance and press releases on the dedicated website of BSE i.e. http://listing.bseindia.com.

Designated Exclusive email- id: The company has the following designated e-mail ID: investors@calsoftgroup.com exclusively for investors servicing.

GREEN INITIATIVES DRIVE BY THE MINISTRY OF CORPORATE AFFAIRS, GOVERNMENT OF INDIA

The company, as a corporate entity, is committed to protect and conserve the natural environment in its operations and services. As a responsible corporate citizen, the company welcomes and supports the 'Green Initiative' taken by the Ministry of Corporate Affairs, Government of India, enabling electronic delivery of documents to the shareholders at their e-mail addresses registered with the Depository participants / Registrar & Share Transfer Agent.

Electronic copies of the Annual Report 2017-18 and notice of the Twenty sixth Annual General Meeting will be sent to all the 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 2018 and notice of Twenty sixth Annual General Meeting shall be sent in the permitted mode. Members requiring physical copies can send a request to the company Secretary.

The company sends the communications to the shareholders by electronic mode. The shareholders of the company are requested to register their email addresses with their depository participants to ensure that the annual report and other documents reaches them on their preferred email address.

Shareholders who hold shares in physical form are requested to register their email addresses with the registrar and share transfer agent, by sending a letter duly signed by the first / sole holder quoting details of Folio no.

INVESTOR RELATIONS - ENHANCING INVESTOR DIALOGUE

As a listed entity and a responsible corporate citizen, the company recognizes the imperative need to maintain continuous dialogue with the investor community. The objective of Investor Relations is to keep investors abreast of significant developments that determine company's overall performance while at the same time addressing investor concerns. This translates into disseminating timely, accurate and relevant information that helps investors in making informed investment decisions.

To ensure effective communication, the Investor Relations Division provides comprehensive information in the form of Annual Reports, Quarterly Earnings Reports, Investor Releases on the company's Website under 'Investors' section at https:// https://www.calsoftgroup.com/investors.

Additionally, Conference Calls, Management Interviews, Face to Face Investor Meetings and Annual General Meetings ensure a direct interaction of market participants with the Management Team. A comprehensive Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ("Fair Disclosure Code"), for the fair disclosure of Unpublished Price Sensitive Information for all stakeholders, has also been formulated and implemented in line with the SEBI guidelines to ensure the compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015.

The management is committed to build investor relations on the pillars of trust, consistency and transparency. Its proactive approach has enabled the investor community to better understand the nature of the company's business, management strategies and operational performance over a period of time.

VII. GENERAL SHAREHOLDER INFORMATION

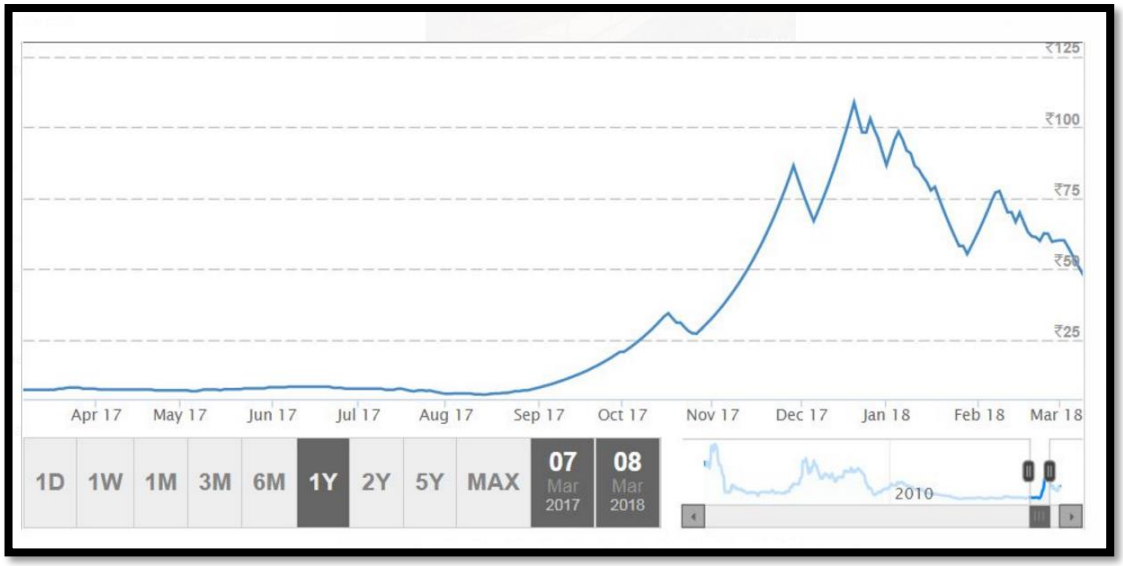
a	Annual General Meeting: Date Time Venue	 September 29, 2018 3:00 A.M. Registered Office
b	Financial Year	01st April 2017 to 31st March 2018
c	Date of Book Closure	September 28, 2018 to September 30, 2018 (both days inclusive)
d	Dividend Payment Date (subject to approval of shareholders)	N.A.
e	Listing of Equity Shares on stock exchanges in India	The National Stock Exchange of India Ltd. (NSE) Exchange Plaza, 5th Floor, Plot No. C / 1, G Block, Bandra Kurla Complex, Bandra East, Mumbai – 400 051, India. Tel.: +91-22-26598236, Fax: +91-22-26598237 BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001, India Tel.: +91-22-22721233, Fax: +91-22-22723121
f	Stock Codes	NSE – CALSOFT BSE – 532386
g	ISIN for Equity Shares	INE526B01014
h	Listing of Non-Convertible Debentures on stock exchanges in India at	N.A.
i	Debenture Trustee	N.A.
j	ISIN for Debentures	N.A.
k	Listing Fees	Paid to all Stock Exchanges for the year 2018-19
l	Corporate Identification Number (CIN) of the company	L72300TN1992PLC022135
m	Registered Office	2nd Floor, Unit 9, STPI Building, 5 Rajiv Gandhi Road, Taramani, Chennai 600113

STOCK MARKET PRICE DATA

The details of monthly high and low price of the Equity Shares of the company and its comparison to broad based indices BSE Sensex and NSE Nifty for period April 1, 2017 to March 31, 2018 are as follows:

Month	NSE		BSE	
	High	Low	High	Low
April-17	7.7	7.05	8.91	6.91
May-17	8.15	6.7	10.1	7.61
June-17	8.4	7.65	8.9	6.86
July-17	8	6.05	8.75	7.22
August-17	7.75	5.4	8.32	5.68
September-17	20.65	8.1	23	8.3
October-17	34.9	21.65	37.2	21.85
November-17	90.7	32.8	90.45	32.9
December-17	114.05	63.6	113.95	63.5
January-18	100.15	52.45	101.35	52.3
February-18	80.65	57.25	80.85	57.2
March-18	61.4	38.55	65.4	41.55

PERFORMANCE OF THE SHARE PRICE OF THE COMPANY IN COMPARISON



Registrars and Transfer Agents

Name and Address :

Integrated Registry Management Services Private Limited
(Unit: California Software Co Ltd)
2nd Floor, Kences Towers,
1, Ramakrishna Street, North Usman Road T Nagar, Chennai - 600017 India
Tel: +91-44- 28140801 to 28140803
Email: yuvraj@integratedindia.in

Share Transfer System

More than 99 % of the equity shares of the company are in dematerialized form. Transfer of these shares are done through the depositories with no involvement of the company. For the transfer of shares held in physical form, the authority has been delegated to the company's officials who generally consider and approve the share transfer requests on a fortnightly basis.

The shares sent for physical transfer are generally registered and returned within a period of 15 days from the date of receipt of request, subject to documents being valid and complete in all respects. As per the requirement of Regulation 40 (9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company has obtained half-yearly certificates from Practicing company Secretary for due compliance of share transfer formalities and filed the same with the Stock Exchanges.

As on March 31, 2018, no equity share was pending for transfer.

Reconciliation of Share Capital Audit Report

As required under Regulation 55A of SEBI (Depositories and Participants), Regulations, 1996, the reconciliation of share capital audit report on the total admitted capital with National Securities Depository Limited ("NSDL") and Central Depository Services (India) Ltd. ("CDSL") and the total issued and listed capital for each of the quarter in the financial year ended March 31, 2018 was carried out.

The audit reports confirm that the total issued / paid-up share capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

Shareholding as on March 31, 2018

DISTRIBUTION OF EQUITY SHAREHOLDING AS ON MARCH 31, 2018

No. of shares held	No. of holders	% of Share holders	Total No. of Shares	% of Equity Share holding
Upto 500	4568	85.9	510400	4.13
501-1000	360	6.78	289913	2.34
1001-2000	180	3.38	274755	2.22
2001-3000	71	1.34	184099	1.49
3001-4000	23	0.43	80329	0.65
4001-5000	22	0.41	101841	0.82
5001-10000	47	0.88	322918	2.61
10000 and above	47	0.88	10600751	85.74
Total	**5318**	**100**	**12365006**	**100**

CATEGORIES OF EQUITY SHAREHOLDING AS ON MARCH 31, 2018:

CATEGORY OF SHARE HOLDER	NO. OF SHARE HOLDERS	TOTAL NO. OF SHARES	TOTAL NO. OF SHARES HELD IN DEMATERIALIZED FORM	TOTAL NO. OF SHAREHOLDING AS A		SHARES PLEDGED OR OTHERWISE	
				AS A% OF (A+B)	AS A% OF A+B+C	NUMBER OF SHARES	AS A% OF TOTAL NO. OF
(A) Shareholding of Promoter and Promoter Group							
(1) Indian							
Undivided Family		-	-	-	-	-	-
State Government(s)		-	-	-	-	-	-
Bodies Corporate		-	-	-	-	-	-
Banks		-	-	-	-	-	-
Any Others (Specify)		-	-	-	-	-	-
Sub Total		-	-	-	-	-	-
(2) Foreign							
Residents Individuals / Individuals)	1	5,536,673	5,536,673	44.78	44.78	-	-
Bodies Corporate		-	-	-	-	-	-
Institutions		-	-	-	-	-	-
Qualified Foreign Investor		-	-	-	-	-	-
Any Others (Specify)		-	-	-	-	-	-
Sub Total	**1**	**5,536,673**	**5,536,673**	**44.78**	**44.78**	-	-
Promoter and Promoter Group (A)	**1**	**5,536,673**	**5,536,673**	**44.78**	**44.78**	-	-
(B) Public Shareholding							
(1) Institutions							
Mutual Funds / UTI	1	300	-	-	-	-	-
Banks		-	-	-	-	-	-
State Government(s)		-	-	-	-	-	-
Venture Capital Funds		-	-	-	-	-	-
Insurance Companies		-	-	-	-	-	-
Investors		-	-	-	-	-	-
Investors		-	-	-	-	-	-
Qualified Foreign Investor		-	-	-	-	-	-
def. in Ch. XA of SEBI (ICDR) Regulations)							-
Market Makers		-	-	-	-	-	-
Any Others (Specify)		-	-	-	-	-	-
Sub Total	**1**	**300**	**-**	**-**	**-**	**-**	**-**
(2) Non-Institutions							
Bodies Corporate		-	-	-	-	-	-
Individuals		-	-	-	-	-	-
Individual shareholders capital up to Rs. 1 lakh	0	-	-	-	-	-	-
Individual shareholders capital in excess of Rs. 1	4895	5,760,659	5,646,979	46.59	46.59	-	-
Qualified Foreign Investor		-	-	-	-	-	-
Any Others (Specify)	101	1,067,374	1,067,274	8.63	8.63	-	-
Sub Total	**4,996**	**6,828,033**	**6,714,253**	**55.22**	**55.22**	**-**	**-**

c. Top ten equity shareholders of the company as on March 31, 2018:

DETAILS OF SHAREHOLDERS HOLDING MORE THAN 1 PERCENT OF THE PAID UP CAPITAL OF THE COMPANY

		Opening Balance		Increase / Decrease		Closing Balance	
S. No.	Name	Share	%	Share	%	Share	%
1	Vinayak Gopalakrishna Kudva						
	Opening Balance as on 01-04-2017	0	0				
	5/8/2017			2886937	23.35	2886937	23.35
	2/12/2017			-160000	-1.29	2726937	22.05
	12/2/2018			-300000	-2.43	2426937	19.63
	17/03/2018			47209	0.38	2474146	20.01
	Closing Balance as on 31-03-2018					2474146	20.01
2	Shivmani Vinimay Private Limited						
	Opening Balance as on 01-04-2017	0	0				
	17/03/2018			750000	6.07	750000	6.07
	Closing Balance as on 31-03-2018					750000	6.07
3	Santosh S						
	Opening Balance as on 01-04-2017	0	0				
	23/03/2018			336743	2.72	336743	2.72
	Closing Balance as on 31-03-2018					336743	2.72
4	Vinayak G Kudva						
	Opening Balance as on 01-04-2017	0	0				
	12/2/2018			289915	2.34	289915	2.34
	Closing Balance as on 31-03-2018					289915	2.34
5	Jayasree Santhosh						
	Opening Balance as on 01-04-2017	0	0				
	24/02/2018			175163	1.42	175163	1.42
	3/3/2018			34890	0.28	210053	1.7
	10/3/2018			-11591	-0.09	198462	1.61
	23/03/2018			-20000	-0.16	178462	1.44
	30/03/2018			-20000	-0.16	158462	1.28
	Closing Balance as on 31-03-2018					158462	1.28
6	Equirus Securities Private Limited						
	Opening Balance as on 01-04-2017	0	0				
	23/12/2017			89457	0.72	89457	0.72
	30/12/2017			-43543	-0.35	45914	0.37
	3/2/2018			164800	1.33	210714	1.7
	17/03/2018			-45914	-0.37	164800	1.33
	Closing Balance as on 31-03-2018					164800	1.33
7	Geeta Rajiv Bhatia						
	Opening Balance as on 01-04-2017	0	0				
	28/10/2017			18495	0.15	18495	0.15
	1/11/2017			35087	0.28	53582	0.43
	4/11/2017			665	0.01	54247	0.44
	11/11/2017			30	0	54277	0.44
	20/11/2017			4	0	54281	0.44
	6/1/2018			10500	0.08	64781	0.52
	Closing Balance as on 31-03-2018					64781	0.52
8	Pasupathy Raju						
	Opening Balance as on 01-04-2017	0	0				
	Closing Balance as on 31-03-2018			57700	0.47	57700	0.47
9	George P J						
	Opening Balance as on 01-04-2017	120000	0.97				
	Closing Balance as on 31-03-2018					50000	0.4
10	Rajiv Bhatia						
	Opening Balance as on 01-04-2017	0	0				
	Closing Balance as on 31-03-2018			49886	0.4	49886	0.4

DEMATERIALISATION OF SHARES AND LIQUIDITY:

The shares of the company are under compulsory dematerialization ("Demat") category and consequently, shares of the company can be traded only in electronic form.

The system for getting the shares dematerialized is as under:

a. Share certificate(s) along with Demat Requisition Form (DRF) is to be submitted by the shareholder to the Depository Participant (DP) with whom he / she has opened a Depository Account.

b. DP processes the DRF and generates a unique number *viz.* DRN.

c. DP forwards the DRF and share certificates to the company's Registrar & Shares Transfer Agent.

d. The company's Registrar & Shares Transfer Agent after processing the DRF confirms or rejects the request to the Depositories.

e. Upon confirmation, the Depository gives the credit to shareholder in his / her depository account maintained with DP.

As on March 31, 2018, more than 99 % of the equity shares issued by the company are held in dematerialized form. The company's equity shares are regularly traded on NSE and BSE, in dematerialized form.

Since the trading in the shares of the company can be done only in electronic form, it is advisable that the shareholders who have the shares in physical form get their shares dematerialized.

S. No.	Particulars	No. of Shares	% of total issued capital
1	Listed Capital	12365006	100
2	Held in Dematerialisation form - NSDL	10806775	87.4
3	Held in Dematerialisation form - CDSL	1444151	11.68
4	Physical shares	114080	0.92

OUTSTANDING GDRS / ADRS / WARANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY

The company has not issued any GDRs / ADRs / Warrants or other instruments, which are pending for conversion.

Compliance with mandatory and non-mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 provides certain mandatory requirements which have to be fulfilled by the company. The company has complied with all the mandatory requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 further states certain nonmandatory requirements which may be implemented as per the discretion of the company. The company complies with the following non-mandatory requirements:

1. **Shareholders' Rights**

The Clause states that half- yearly declaration of financial performance including summary of the significant events in the last six months, may be sent to each shareholder. The company communicates with investors regularly through e-mail, telephone and face to face meetings either in investor's conferences, company visits or on road shows.

The company leverages the internet in communicating with its investors. After the announcement of the quarterly results, a business television channel in India telecasts discussions with the management. This enables a large number of retail investors in India to understand the company's operations better. The announcement of quarterly results is followed by media briefing in press conferences and earning conference calls. The earning

calls are also webcast live on the internet. Further, transcripts of the earnings calls are posted on the website www.calsof.com /calsoftgroup.com

The quarterly financial results are also published in English and Hindi daily newspapers.

2. **Audit Qualifications**

It is always the company's endeavor to present unqualified financial statements. There is no audit qualification in the company's financial statements for the year ended March 31, 2018.

3. **Separate posts of CFO and CEO**

The positions of the CFO and the CEO are held by separate individuals.

4. **Reporting of Internal Auditor**

The Internal Auditor of the company directly reports to the Audit Committee on functional matters.

Compliance Certificate on the Corporate Governance from the Auditors

The certificate dated August 31, 2018 obtained from Statutory Auditors of the company, M/s. N. Balasubramanian Associates, confirming compliance with the Corporate Governance requirements as stipulated under Schedule V read with Regulation 34 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed hereto.

Independent Auditor's Report on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To

The Members

California Software company Limited

1. The Corporate Governance Report prepared by California Software Company Limited (hereinafter the "company"), contains details as required by the provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations")('Applicable criteria') with respect to Corporate Governance for the year ended March 31, 2018. This report is required by the company for annual submission to the Stock exchange and to be sent to the Shareholders of the company.

Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.

3. The Management along with the Board of Directors are also responsible for ensuring that the company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion whether the company has complied with the specific requirements of the Listing Regulations referred to in paragraph 3 above.

5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of key procedures performed include:

i. Reading and understanding of the information prepared by the company and included in its Corporate Governance Report;

ii. Obtained and verified that the composition of the Board of Directors w.r.t executive and non-executive directors has been met throughout the reporting period;

iii. Obtained and read the Directors Register as on March 31, 2018 and verified that at least one women director was on the Board during the year;

iv. Obtained and read the minutes of the following committee meetings held April 1, 2017 to March 31, 2018:

(a) Board of Directors meeting;

(b) Audit committee;

(c) Annual General meeting;

(d) Nomination and remuneration committee;

(e) Stakeholders Relationship Committee;

(f) Independent directors meeting; and

(g) Risk management committee;

v. Obtained necessary representations and declarations from directors of the company including the independent directors; and

vi. Performed necessary inquiries with the management and also obtained necessary specific representations from management**.**

The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the company taken as a whole.

Opinion

8. Based on the procedures performed by us as referred in paragraph 7 above, and according to the information and explanations given to us, we are of the opinion that the company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended March 31, 2018, referred to in paragraph 2 above.

Other matters and Restriction on Use

9. This report 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.

10. This report is addressed to and provided to the members of the company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing.

We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For N. Balasubramanian Associates
Chartered Accountants
ICAI Firm Registration Number: F0355S

N. Balasubramanian
Partner
Membership Number: 023445

Place of Signature: Chennai

Date: August 31, 2018

DECLARATION BY THE CHIEF EXECUTIVE OFFICER PURSUANT TO SCHEDULE V(D) READ WITH REGULATION 34 (3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

I, **Dr. Vasudevan Mahalingam**, Managing Director and Chief Executive Officer of California Software company Limited (the "company") confirm that the company has adopted a Code of Business Ethics and Conduct ("Code of Conduct") for its Board members and senior management personnel and the Code of Conduct is available on the company's web site.

I, further confirm that the company has in respect of the financial year ended March 31, 2018, received from its Board members as well as senior management personnel affirmation as to compliance with the Code of Conduct.

Dr. Vasudevan Mahalingam
Chief Executive Officer and Managing Director
Chennai
August 31, 2018

CERTIFICATE BY THE CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) PURSUANT TO PART B SCHEDULE II READ WITH REGULATION 17 (8) of SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To
The Members
California Software company Limited

Dear members of the Board,

1. We have reviewed the financial statements and the cash flow statement of the company for the year ended March 31, 2018 and to the best of our 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.

2. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.

3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.

4. We have indicated to the Auditors and the Audit Committee –

(i) that there are no significant changes in internal control over financial reporting during the year;

(ii) that there are no significant changes in accounting policies during the year; and

(iii) that there are no instances of significant fraud of which we have become aware.

Dr. Vasudevan Mahalingam
Chief Executive Officer and Managing Director
Chennai
August 31, 2018

Vijayakumar Madhavan
Chief Finance Officer
Chennai
August 31, 2018

Standalone Ind AS Financial Statements

INDEPENDENT AUDITOR'S REPORT

To the Members of California Software Company Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone Ind AS financial statements of California Software Company Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS 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 Ind AS 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 of the standalone Ind AS financial statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as 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 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 standalone Ind AS 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 standalone Ind AS 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 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 standalone Ind AS 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 Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the standalone Ind AS 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 March 31, 2018, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1"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, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   e) On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of section 164(2) of the Act;

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   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:

      - The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements;
      - The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
      - There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;

For N. Balasubramanian Associates
Chartered Accountants
ICAI Firm Registration Number: F0355S

N. Balasubramanian
Partner
Membership Number: 023445

Place of Signature: Chennai

Date: August 31, 2018

Annexure 1 referred to in paragraph 1 of the section on "Report on Other Legal and Regulatory Requirements" of our report of even date

Re: California Software Company Limited (the Company)

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) All fixed assets were physically verified by the management in accordance with a planned programme of verifying them in phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification conducted during the financial year.

(c) According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment / fixed assets are held in the name of the Company.

(ii) The management has conducted physical verification of inventory at reasonable intervals during the financial year and no material discrepancies were noticed on such physical verification.

(iii) According to the information and explanations given to us, 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 Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

(iv) In our opinion and according to the information and explanations given to us, provisions of section 186 of the Companies Act, 2013 in respect of loans given have been complied with by the Company. In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 of the Companies Act, 2013 are applicable and hence not commented upon.

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under clause 148(1) of the Companies Act, 2013, for the products / services of the Company.

(vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, value added tax, goods and service tax, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities though there has been slight delay in few cases. The provisions relating to duty of excise is not applicable to the Company.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales-tax, goods and service tax, duty of custom, Value added tax, Cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. According to the records of the Company, the disputed amount of income-tax and service tax is Rs. 133,960,202 and Rs. 35,52,977, respectively.

(Viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a bank. The Company did not have any outstanding loans or borrowing dues in respect of financial institution or government or dues to debenture holders.

(ix) According to the information and explanations given by the management, the Company has not raised any money by way of initial public offer / further public offer / debt instruments hence, reporting under clause is not applicable to the Company and hence not commented upon.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no fraud / material fraud on the company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given by the management, the managerial remuneration has not been paid.

(xii) In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.

(xv) According to the information and explanations given by the management, the Company has not entered into any noncash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For N. Balasubramanian Associates
Chartered Accountants
ICAI Firm Registration Number: F0355S

N. Balasubramanian
Partner
Membership Number: 023445

Place of Signature: Chennai

Date: August 31, 2018

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF CALIFORNIA SOFTWARE COMPANY LIMITED

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

We have audited the internal financial controls over financial reporting of California Software Company Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised

acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For N. Balasubramanian Associates
Chartered Accountants
ICAI Firm Registration Number: F0355S

N. Balasubramanian
Partner
Membership Number: 023445

Place of Signature: Chennai

Date: August 31, 2018

TABLE 1. BALANCE SHEET AS AT 31 MARCH 2018

PARTICULARS	Note No	FIG. AS AT 31 MAR 2018 Rs	FIG. AS AT 31 MAR 2017 Rs
I. EQUITY AND LIABILITIES			
1. Shareholders' funds			
(a) Share capital	1	158,758,060	123,650,060
(b) Reserve and surplus	2	(66,703,103)	(387,097,165)
(c) Money received against share warrants		-	-
Total		**92,054,957**	**(263,447,105)**
2. Share application money pending allotment			-
3. Non-Current liabilities			
(a) Long-term borrowings	3	-	-
(b) Deferred tax liabilities (Net)			-
(c) Other Long term liabilities		-	-
(d) Long-term provisions		-	-
Total		**-**	**-**
4. Current liabilities			
(a) Short-term borrowings	4	3,166,105.00	351,079,977
(b) Trade payables	5	1,067,180	2,658,286
(c) Other Current Liabilities	6	1,426,610	811,325
(d) Short-term provisions	7	135,278	135,278
Total		**5,795,173**	**354,684,865**
TOTAL		**97,850,130**	**91,237,760**
II. ASSETS			
1. Non-current assets			
(a) Fixed Assets			
(i) Tangible assets	8	-	-
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development			-
(b) Non-current investments	9	31,137,969	31,137,969
(c) Deferred tax assets (net)	10	-	-
(d) Long-term loans and advances	11	58,742,735	59,742,735
(e) Other non-current assets			
Total		**89,880,705**	**90,880,705**
2. Current assets			
(a) Current investments	12	-	-
(b) Inventories		-	-
(c) Trade receivable	13	6,925,750	-
(d) Cash and cash equivalents	14	119,768	342,055
(e) Short-term loans and advances	15	446,800	15,000
(f) Other current assets	16	477,107	-
Total		**7,969,425**	**357,055**
TOTAL		**97,850,130**	**91,237,760**

Notes refereed to above from an integral part of the accounts

On behalf of the Board

Vide our Report of even date

For California Software Company Limited

For N. Balasubramanian Associates

Chartered Accountants F No 0355S

N. Balasubramanian

Partner. M. No. 023445

Place : Chennai ; Date : 29th May 2018

Dr. Vasudevan M
Managing Director

Dr. Pasupathy Raju
Managing Director

TABLE 2. STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2018

PARTICULARS	Note No	FIG. AS AT 31 MAR 2018 Rs	FIG. AS AT 31 MAR 2017 Rs
I. Revenue from operations	17	9,525,750	-
II. Other Income	18	-	154,977
III. Total Revenue (I+II)		**9,525,750**	**154,977**
IV. Expenses:			
Employee benefits expense	19	3,447,921	1,203,963
Operation and Other Expenses	20	655,767	(18,425,578)
Finance Costs	21	-	-
Depreciation and amortization Expenses		-	-
Total Expenses		**4,103,688**	**(17,221,615)**
V Profit before exceptional and extraordinary items and tax (III-IV)		5,422,062	17,376,592
VI Exceptional Items	22	-	-
VII Profit before extraordinary items and Tax (V-VI)		5,422,062	17,376,592
VIII Extraordinery items		-	-
IX Profit before Tax (VII-VIII)		5,422,062	17,376,592
X Tax expense:			
(1) Current tax		1,000,000	
(2) Deferred tax		-	-
(3) Current tax expense relating to prior years			
Total		1,000,000	-
XI Profit / (Loss) for the period from continuing Operations (IX-X)		4,422,062	17,376,592
XII Profit/(Loss) from discontinuing operations		-	-
XIII Tax expense of discontinuing operations		-	-
XIV Profit / (loss) from discontinuing operations (after tax) (XII-XIII)		4,422,062	17,376,592
XV Profit / (Loss) for the period (XI+XIV)		4,422,062	17,376,592
XVI Earnings per equity share:			
(1) Basic		0.36	1.41
(2) Diluted		0.36	1.41

Notes refereed to above from an integral part of the accounts

On behalf of the Board

Vide our Report of even date

For California Software Company Limited

For N. Balasubramanian Associates

Chartered Accountants F No 0355S

N. Balasubramanian

Partner. M. No. 023445

Place : Chennai ; Date : 29th May 2018

Dr. Vasudevan M
Managing Director

Dr. Pasupathy Raju
Managing Director

TABLE 3. STATEMENT OF CASH FLOWS

PARTICULARS	YEAR ENDED March 31,2018	YEAR ENDED March 31,2017
CASH FLOW FROM OPERATIONS		
Net profit before tax and extraordinary and prior	5,358,542	17,472,175
period items		
Adjustment for:		
Loss on disposal of asset	-	-
Depreciation and Impirements	-	-
Deferred expenses written off	-	-
Interest Income	-	-
Interest expense	-	-
Investment Write off	-	-
Transfer to reserves		
Minority Interest changes		
Total	**5,358,542**	**17,472,175**
Adjustment for:		
Current Assets, Loans and Advances	(7,934,656)	919,542
Current Liabilities & Provisions	(348,730,693)	(19,147,924)
Increase/ Decrease in net current asset	(356,665,349)	(18,228,382)
Cash generated from operations	**(351,306,806)**	**(756,207)**
Current Taxation	1,000,000	-
Deferred Taxation		
Other Items to be adjusted	-	-
NET CASH FROM OPERATIONS	**(350,306,806)**	**(756,207)**
CASH FLOW FROM INVESTING		
Purchase of fixed Assets net	-	-
Cash generated from sale of asset	-	-
Deferred tax Asset	-	-
Changes in Long Term Funds	(1,000,000)	
Change in Investments	-	-
Interest Income	-	-
NET CASH USED FOR INVESTING	**(1,000,000)**	**-**
CASH FLOW FROM FINANCING		
Loans borrowed (Net of repayment)	-	-
Deferred tax liability	-	-
Increase in unsecured Loans	-	-
Increase in capital	35,108,000	
Increase in Share premium	315,972,000	
Increase / (Decrease) in other resereves	-	-
Decrease in Capital Reserve		
Decrease in P/L due to new subsidiaries		
Increase in Cumulative Translation Reserve		
Minority Interest changes	-	-
Dividend Tax	-	-
Interest Expense	-	-
Dividend	-	-
NET CASH FROM FINANCING	**351,080,000**	**-**
Net increase/ decrease in cash or cash equivalents	**(226,806)**	**(756,207)**
Cash & Cash equivalents at the beginning of the year	459,657	1,215,864
Cash & Cash equivalents at the close of the year	**232,851**	**459,657**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in lakhs of ('₹'), except share data and as stated otherwise)

ORGANIZATION AND NATURE OF OPERATIONS

California Software Company Limited (hereinafter referred to as "the Company") is primarily engaged in providing a range of software development services, business process outsourcing services and IT infrastructure services. The Company was incorporated under the provisions of the Companies Act applicable in India in February 1992, having its registered office at 2nd Floor, Unit 9, STPI Building, 5 Rajiv Gandhi Road, Taramani, Chennai 600113.

The Company leverages its infrastructure and professionals to deliver solutions across selected verticals including financial services, manufacturing (automotive, aerospace, Hi-tech, semi-conductors), life sciences & healthcare, public services (oil and gas, energy and utility, travel, transport and logistics), retail and consumer products, telecom, media, publishing and entertainment.

The financial statements for the year ended 31stMarch 2018 were approved and authorized for issue by the Board of Directors on 28th May 2018.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).These financial statements have been prepared under the historical cost convention on an accrual and going concern basis except for the following assets and liabilities which have been measured at fair value:

a) Derivative financial instruments,

b) Certain financial assets and liabilities (refer accounting policy regarding financial instruments)

The accounting policies adopted in the preparation of these financial statements are consistent with those of the previous year.

The Company uses the Indian rupee ('₹') as its reporting currency.

(b) Use of estimates

The preparation of financial statements in conformity with Ind AS requires the management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue, expenses and other comprehensive income (OCI) that are reported and disclosed in the financial statements and accompanying notes. These estimates are based on the management's best knowledge of current events, historical experience, actions that the Company may undertake in the future and on various other assumptions that are believed to be reasonable under the circumstances. Significant estimates and assumptions are used for, but not limited to, accounting for costs expected to be incurred to complete performance under fixed price projects, allowance for uncollectible accounts receivables, accrual of warranty costs, income taxes, valuation of share-based compensation, future obligations under employee benefit plans, the useful lives of property, plant and equipment, intangible assets, impairment of goodwill, and other contingencies and commitments. Changes in estimates are reflected in the financial statements in the year in which the changes are made. Actual results could differ from those estimates.

(c) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is the aggregate of the consideration transferred measured at fair value at the acquisition date. Acquisition related costs are expensed as incurred.

Any contingent consideration to be transferred by the acquirer is recognized at fair value at the acquisition date. Contingent consideration classified as financial liability is measured at fair value with changes in fair value recognized in the statement of profit and loss.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interest, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the excess is recognized as capital reserve after reassessing the fair values of the net assets.

(d) Foreign currency and translation

The financial statements of the Company are presented in Indian Rupee ('₹') which is also the Company's functional currency. For each foreign operation, the Company determines the functional currency which is its respective local currency.

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date of the transaction. Foreign-currency denominated monetary assets and liabilities are translated to the relevant functional currency at exchange rates in effect at the balance sheet date. Exchange differences arising on settlement or translation of monetary items are recognized in the statement of profit and loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the initial transaction. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the year. Revenue, expenses and cash-flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

The translation of foreign operations from respective functional currency into INR (the reporting currency) for assets and liabilities is performed using the exchange rates in effect at the balance sheet date, and for revenue, expenses and cash flows is performed using an appropriate daily weighted average exchange rate for the respective years. The exchange differences arising on translation are reported as a component of 'other comprehensive income (loss)'. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognized in the statement of profit and loss.

(e) Fair value measurement

The Company records certain financial assets and liabilities at fair value on a recurring basis. The Company determines fair values based on the price it would receive to sell an asset or pay to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or most advantageous market for that asset or liability.

The Company holds certain fixed income securities, equity securities and derivatives, which must be measured using the guidance for fair value hierarchy and related valuation methodologies. The guidance specifies a hierarchy of valuation techniques based on whether the inputs to each measurement are observable or unobservable. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect the Company's assumptions about current market conditions. The fair value hierarchy also requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The prescribed fair value hierarchy and related valuation methodologies are as follows:

Level 1 - Quoted inputs that reflect quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2 - Quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active and model-derived valuations, in which all significant inputs are directly or indirectly observable in active markets.

Level 3 - Valuations derived from valuation techniques, in which one or more significant inputs are unobservable inputs which are supported by little or no market activity.

In accordance with Ind AS 113, assets and liabilities are to be measured based on the following valuation techniques:

a) Market approach – Prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities.

b) Income approach – Converting the future amounts based on market expectations to its present value using the discounting method.

c) Cost approach – Replacement cost method.

Certain assets are measured at fair value on a non-recurring basis. These assets consist primarily of non-financial assets such as goodwill and intangible assets. Goodwill and intangible assets recognized in business combinations are measured at fair value initially and subsequently when there is an indicator of impairment, the impairment is recognized.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant who would use the asset in its highest and best use.

(f) Revenue recognition

Contracts involving provision of services

Revenue is recognized when persuasive evidence of an arrangement exists, services have been rendered, the fee is determinable and collectability is reasonably assured. Contracts can be primarily categorized as time-and-material or fixed price contracts.

Time-and-material contracts

Revenue with respect to time-and-material contracts is recognized as the related services are performed.

Fixed Price contracts

Revenue related to contracts providing maintenance and support services, is recognized over the term of the contract where the company has continuing obligation.

Revenue from technology integration and complex network building contracts is recognized in accordance with the Percentage-of-Completion (POC) method. Under the POC method, progress towards completion is measured based on either achievement of specified contract milestones, cost incurred as a proportion of estimated total cost or other measures of progress when available. If circumstances arise that change the original estimates of revenues, costs, or extent of progress towards completion, revisions are made to the estimates. These revisions may result in increase or decrease in estimated revenues or costs, and such revisions are reflected in income in the year in which the circumstances that gave rise to the revision become known to the management. Provisions for estimated losses, if any, on contracts in progress are recorded in the period in which such losses become probable based on the current cost estimates. Contract losses are determined to be the amount by which the estimated total cost to complete exceeds the estimated total revenue that will be generated by the contract and are included in Cost of services and classified in other accrued liabilities.

In arrangements involving sharing of customer revenues, revenue is recognized when the amounts are known and the right to receive is established. Incremental revenue from existing contracts arising on future sales to the customers is recognized when it is earned and collectability is reasonably assured.

Revenues from unit-priced contracts are recognized as transactions are processed, based on objective measures of output.

Revenue from product sales are shown net of sales tax and applicable discounts and allowances. Revenue related to product with installation services that are critical to the product is recognized when installation of product at customer site is completed and accepted by the customer. If the revenue for a delivered item is not recognized for non-receipt of acceptance from the customer, the cost of the delivered item continues to be in inventory.

Multiple-element arrangements

When a sales arrangement contains multiple elements, such as services, hardware and software products and licenses, revenue for each element is determined based on its fair value.

Revenue recognition for delivered elements is limited to the amount that is not contingent on the future delivery of products or services, future performance obligations or subject to customer-specified return or refund privileges.

Revenue from activities in transition services not having standalone value in outsourcing arrangements is deferred and recognized over the period of the arrangement. Direct and incremental costs in relation to such an arrangement are also deferred to the extent of revenue. Certain upfront non-recurring contract acquisition costs incurred in the initial phases of outsourcing contracts are deferred and amortized usually on a straight-line basis, over the term of the contract unless revenues are earned, and obligations are fulfilled in a different pattern. The undiscounted cash flows from the arrangement are periodically estimated and compared with the unamortized costs. If the unamortized costs exceed the undiscounted cash flow, a loss is recognized.

In instances when revenue is derived from sales of third-party vendor services, material or licenses, revenue is recorded on a gross basis when the Company is a principal to the transaction and net of costs when the Company is acting as an agent between the customer and the vendor. Several factors are considered to determine whether the Company is a principal or an agent, most notably whether the Company is the primary obligor to the customer, has established its own pricing, and has inventory and credit risks.

Revenue is recognized net of discounts and allowances, value-added tax and goods & service tax, and includes reimbursement of out-of-pocket expenses, with the corresponding out-of-pocket expenses included in cost of revenues.

Revenue from financing leases is recognized when risk of loss has been transferred to the client and there are no unfulfilled obligations that affect the final acceptance of the arrangement by the client. Revenue from operating leases is accounted on a straight-line basis as service revenue over the rental period. Interest attributable to financing leases included therein is recognized on an accrual basis using the effective interest method.

Interest income

Interest income for all financial instruments measured at amortized cost is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the EIR, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

(g) ***Income taxes***

Income tax expense comprises current and deferred income tax.

Income tax expense is recognized in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current income tax for current

and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Provision for income tax includes the impact of provisions established for uncertain income tax positions.

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax assets and liabilities recognized for those temporary differences which originate during the tax holiday period are reversed after the tax holiday period. For this purpose, reversal of timing differences is determined using first in first out method.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the year that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognized subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction in goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognized in the statement of profit and loss.

(h) **Property, plant and equipment**

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. The Company identifies and determines separate useful lives for each major component of the property, plant and equipment, if they have a useful life that is materially different from that of the asset as a whole.

Expenses on existing property, plant and equipment, including day-to-day repairs, maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the year during which such expenses are incurred.

Gains or losses arising from derecognition of assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Property, plant and equipment under construction and cost of assets not ready for use at the year-end are disclosed as capital work- in- progress.

Depreciation on property, plant and equipment is provided on the straight-line method over their estimated useful lives, as determined by the management. Depreciation is charged on a pro-rata basis for assets purchased / sold during the year.

(i) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

Intangible assets are amortized over the useful life and assessed for impairment whenever there is an

indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting year. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

The intangible assets are amortized over the estimated useful life of the assets as mentioned below except certain Licensed IPRs which include the right to modify, enhance or exploit are amortized in proportion to the expected benefits over the useful life which could range up to 15 years.

(j) Research and development costs

Research costs are expensed as incurred. Development expenditure, on an individual project, is recognized as an intangible asset when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete, and the asset is available for use. It is amortized over the period of expected future benefit. Amortization expense is recognized in the statement of profit and loss. During the period of development, the asset is tested for impairment annually.

(k) **Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

(l) Inventory

Stock-in-trade, stores and spares are valued at the lower of the cost or net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

Cost of stock-in-trade procured for specific projects is assigned by identifying individual costs of each item. Cost of stock in trade, that are interchangeable and not specific to any project and cost of stores and spare parts are determined using the weighted average cost formula.

(m) Impairment of non-financial assets

Goodwill

Goodwill is tested annually on March 31, for impairment, or sooner whenever there is an indication that goodwill may be impaired, relying on a number of factors including operating results, business plans and

future cash flows. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the Company's cash generating units (CGU) expected to benefit from the synergies arising from the business combination. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets. Impairment occurs when the carrying amount of a CGU including the goodwill, exceeds the estimated recoverable amount of the CGU. The recoverable amount of a CGU is the higher of its fair value less cost to sell and its value-in-use. Value-in-use is the present value of future cash flows expected to be derived from the CGU. Total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU, pro-rata on the basis of the carrying amount of each asset in the CGU.

An impairment loss on goodwill recognized in the statement of profit and loss is not reversed in the subsequent period.

Intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs. If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the asset exceeds the estimated recoverable amount of the asset.

(n) Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows.

(p) Retirement and other employee benefits

i. Provident fund: Employees of the Company receive benefits under the provident fund, a defined benefit plan. The employee and employer each make monthly contributions to the plan. A portion of the contribution is made to the provident fund trust managed by the Company or Government administered provident fund; while the balance contribution is made to the Government administered pension fund. For the contribution made by the Company to the provident fund trust managed by the Company, the Company has an obligation to fund any shortfall on the yield of the Trust's investments over the administered interest rates. The liability is actuarially determined (using the projected unit credit method) at the end of the year. The funds contributed to the Trust are invested in specific securities as mandated by law and generally consist of federal and state government bonds, debt instruments of government-owned corporations and other eligible market securities.

ii. In respect of superannuation, a defined contribution plan for applicable employees, the Company contributes to a scheme administered on its behalf by an insurance company and such contributions for each year of service rendered by the employees are charged to the statement of profit and loss. The Company has no further obligations to the superannuation plan beyond its contributions.

iii. Gratuity liability: The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's base salary and the tenure of employment (subject to a maximum of Rs. 20 lacs per employee). The liability is actuarially determined (using the projected unit credit method) at the end of each year. Actuarial gains / losses are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the year

in which they occur.

In respect to certain employees in India, the Company contributes towards gratuity liabilities to the Gratuity Fund Trust. Trustees of the Company administer contributions made to the Trust and contributions are invested in a scheme with Life Insurance Corporation of India as permitted by law.

iv. Compensated absences: The employees of the Company are entitled to compensated absences which are both accumulating and non-accumulating in nature. The employees can carry forward up to the specified portion of the unutilized accumulated compensated absences and utilize it in future periods or receive cash at retirement or termination of employment. The expected cost of accumulating compensated absences is determined by actuarial valuation (using the projected unit credit method) based on the additional amount expected to be paid as a result of the unused entitlement that has accumulated at the balance sheet date. The expense on non-accumulating compensated absences is recognized in the statement of profit and loss in the year in which the absences occur. Actuarial gains/ losses are immediately taken to the statement of profit and loss and are not deferred.

v. State Plan: The contribution to State Plans in India, a defined contribution plan namely Employee State Insurance Fund is charged to the statement of profit and loss as and when employees render related services.

(q) Equity settled stock based compensation

Stock-based compensation represents the cost related to stock-based awards granted to employees. The Company measures stock-based compensation cost at grant date, based on the estimated fair value of the award and recognizes the cost (net of estimated forfeitures) on a straight-line basis over the requisite service period for each separately vesting portion of the award, as if award was in substance, multiple awards. The Company estimates the fair value of stock options using the Black-Scholes valuation model. The cost is recorded under the head employee benefit expense in the statement of profit and loss with corresponding increase in “Share Based Payment Reserve”.

(r) Financial Instruments

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i. Financial assets

All financial assets are recognized initially at fair value. Transaction costs that are directly attributable to the acquisition of financial assets (other than financial assets at fair value through profit or loss) are added to the fair value measured on initial recognition of financial asset. Purchase and sale of financial assets are accounted for at trade date.

Cash and short-term deposits

Cash and short-term deposits in the balance sheet comprise cash in banks and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

Financial assets at amortized cost

A financial asset is measured at the amortized cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is

included in other income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss. This category includes cash and bank balances, loans, unbilled revenue, trade and other receivables.

Financial asset at Fair Value through Other Comprehensive Income (OCI)

A financial asset is classified and measured at fair value through OCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent solely payments of principal and interest.

Financial asset included within the OCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in OCI. Interest income is recognized in statement of profit and loss for debt instruments. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from OCI to statement of profit and loss.

Financial assets at Fair Value through Profit and Loss

Any financial asset, which does not meet the criteria for categorization at amortized cost or at fair value through other comprehensive income, is classified at fair value through profit and loss. Financial assets included at the fair value through profit and loss category are measured at fair value with all changes recognized in the statement of profit and loss.

Equity investments

Equity investments in subsidiaries are measured at cost.

Derecognition of financial assets

A financial asset is primarily derecognized when the rights to receive cash flows from the asset have expired, or the Company has transferred its rights to receive cash flows from the asset.

Impairment of financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit and loss. Lifetime ECL allowance is recognized for trade receivables with no significant financing component. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case they are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date is recognized in the statement of profit and loss.

ii. Financial liabilities

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade payables, borrowings including bank overdrafts and other payables.

After initial recognition, financial liabilities are subsequently measured at amortized cost using the effective interest rate (EIR) method. Gains and losses are recognized in the statement of profit and loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

iii. Derivative financial instruments and hedge accounting

Foreign exchange forward contracts and options are purchased to mitigate the risk of changes in foreign exchange rates associated with forecast transactions denominated in certain foreign currencies.

The Company recognizes all derivatives as assets or liabilities measured at their fair value. Changes in fair value for derivatives not designated in a hedge accounting relationship are marked to market at each reporting date and the related gains (losses) are recognized in the statement of profit and loss as 'foreign exchange gains (losses)'.

The foreign exchange forward contracts and options in respect of forecast transactions which meet the hedging criteria are designated as cash flow hedges. Changes in the derivative fair values (net of tax) that are designated as effective cash flow hedges are deferred and recorded in the hedging reserve account as a component of accumulated 'other comprehensive income (loss)' until the hedged transaction occurs and are then recognized in the statement of profit and loss. The ineffective portion of hedging derivatives is immediately recognized in the statement of profit and loss.

In respect of derivatives designated as hedges, the Company formally documents all relationships between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The Company also formally assesses both at the inception of the hedge and on an ongoing basis, whether each derivative is highly effective in offsetting changes in fair values or cash flows of the hedged item.

Hedge accounting is discontinued prospectively from the last testing date when (1) it is determined that the derivative financial instrument is no longer effective in offsetting changes in the fair value or cash flows of the underlying exposure being hedged; (2) the derivative financial instrument matures or is sold, terminated or exercised; or (3) it is determined that designating the derivative financial instrument as a hedge is no longer appropriate. When `hedge accounting is discontinued the deferred gains or losses on the cash flow hedge remain in 'other comprehensive income (loss)' until the forecast transaction occurs. Any further change in the fair value of the derivative financial instrument is recognized in current year earnings.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis to realize the assets and settle the liabilities simultaneously.

(s) Dividend

Final dividend proposed by the Board of Directors is recognized upon approval by the shareholders who have the right to decrease but not increase the amount of dividend recommended by the Board of Directors. Interim dividends are recognized on declaration by the Board of Directors.

(t) Earnings per share (EPS)

Basic EPS amounts are computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equities outstanding during the year.

Diluted EPS amounts are computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. the average market value of the outstanding shares).

Dilutive potential equity shares are deemed converted as at the beginning of the year, unless issued at a later date. Dilutive potential equity shares are determined independently for each year presented.

(u) Recently issued accounting pronouncements

On 28 March 2018, the Ministry of Corporate Affairs (MCA), notified Companies (Indian Accounting Standards) (Amendments) Rules, 2018, amending the following standards:

Appendix B to Ind AS 21,'Foreign Currency Transactions and Advance Consideration'

The amendment clarifies that, in determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which an entity initially recognizes the non-monetary asset or non-monetary liability arising from the advance consideration.

The Appendix is effective for annual periods beginning on or after 1 April 2018. However, since the Company's current practice is in line with the Interpretation, the Company does not expect any effect on its financial statements.

Ind AS 115, Revenue from Contract with Customers

Ind AS 115 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. Ind AS 115 will supersede the current revenue recognition standard Ind AS 18 Revenue, Ind AS 11 Construction Contracts. The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018.

The core principle of Ind AS 115 is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Under Ind AS 115, an entity recognizes revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer.

The standard permits two possible methods of transition:

- Retrospective approach-Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach)

The Company is currently evaluating the impact that the adoption of this new standard will have on its financial statements.

TABLE 4. SHARE CAPITAL

Particulars	As at 31/Mar/18	As at 31/Mar/17
1 SHARE CAPITAL		
AUTHORISED CAPITAL		
21,000,000 Equity Shares of Rs.10/- each with equal voting rights	210,000,000	150,000,000
40,00,000 Preference Shares of Rs.10/- each with equal voting rights	40,000,000	
Total	**250,000,000**	**150,000,000**
ISSUED CAPITAL		
123,65,006 Equity Shares of Rs.10/- each with equal voting rights	123,650,060	123,650,060
3510800 Optionally Convertible Redeemable Preference Shares(OCRPS) at Rs.10	35,108,000	
Total	**158,758,060**	**123,650,060**
SUBSCRIBED, CALLED UP AND PAID UP CAPITAL		
123,65,006 Equity Shares of Rs.10/- each with equal voting rights	123,650,060	123,650,060
3510800 Optionally Convertible Redeemable Preference Shares(OCRPS) at Rs.10	35,108,000	
Total	**158,758,060**	**123,650,060**
(The paid up share capital includes shares worth Rs. 7,24,920 which were issued by the company in October 1994 for consideration other than cash)		

TABLE 5. RECONCILIATION OF SHARES

Particulars	No of Shares As at 31/Mar/18	No of Shares As at 31/Mar/17
Opening Balance (Equity Shares)	12,365,006	12,365,006
Changes During the year(Optionally Convertible Redeemable Preference Shares(OCRPS) at Rs.10)	3510800	-
Closing Balance	15,875,806	12,365,006

TABLE 6. SHAREHOLDERS HOLDING MORE THAN 5% OF TOTAL SHARES

Name of the Shareholder	No of Shares	%	No of Shares	%
VASUDEVAN M	5536673	44.78		-
KEMOIL LTD		-	8743911	70.71
VINAYAK KUDVA	2747456	22.21		-
Closing Balance	8284129	66.99	8743911	70.71

TABLE 7. RESERVE AND SURPLUS

Particulars	As at 31/Mar/18	As at 31/Mar/17
(A) Capital reserve		
Opening balance	206,250	206,250
Add: Additions during the year (give details)		
Less: Utilised / transferred during the year (give details)		
Closing balance	206,250	206,250
(B) Securities premium account		
Opening balance	633,084,932	633,084,932
Add : Premium on Preference shares issued during the year(3510800@90)	315,972,000	
Less : Utilised during the year for:		
Closing balance	949,056,932	633,084,932
(C) General reserve		
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
(D) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	(1,086,252,590)	(1,103,629,182)
Add: Profit / (Loss) for the year	4,422,060	17,376,592
Less: Amount Transferred to		
Closing balance	(1,081,830,530)	(1,086,252,590)
TOTAL	(66,703,096)	(387,097,156)

TABLE 8. LIABILITIES

PARTICULARS	As at 31/Mar/18	As at 31/Mar/17
3 Long-term borrowings		
Term loans		
From banks		
Secured		
Canara Bank Building Term Loan	-	-
Total	**-**	**-**
4 Short-term borrowings		
From Directors	**3,166,105**	
Secured	**-**	
Unsecured From others		
Chemoil Advanced Management Services Pvt Ltd	-	256,435,173
Chemoil International Pte Ltd	-	69,247,076
Chemoil Europe B.V	-	25,397,728
Total	**3,166,105**	**351,079,977**
5 Trade Payables	**1,067,180**	**2,658,286**
6 Other current liabilities		
Term Loan Instalments due within one year	-	-
Term Loan Instalments overdue for payment	-	-
Interest accrued but not due on borrowings	-	**-**
Interest accrued and due on borrowings	**-**	-
Income received in advance (Unearned revenue)	-	-
Unpaid dividends*	**103,172**	**103,172**
Rent Deposits	-	-
Withholding Taxes, Excise Duty, VAT, Service Tax, etc.)	346,278	-
TDS Payable	359,160	654
CST&VAT	-	-
Other expenses Payable	618,000	707,500
Total	**1,426,610**	**811,325**

TABLE 9. ADVANCES, TRADE RECEIVABLES AND CURRENT AND NON CURRENT INVESTMENTS

PARTICULARS	As at 31/Mar/18	As at 31/Mar/17
9 NON CURRENT INVESTMENTS (AT COST)		
Investment in Unquoted Equity Shares		
In Subsidiaries		
Aspire Communications, Mysore, India	31,137,969	31,137,969
2,000,000 equity shares of Rs 10/- each fully paid up		
Other non-current investments	-	-
Total	**31,137,969**	**31,137,969**
10 Deferred Income Tax Asset		
Carry Forward Loss	-	-
Depreciation	-	-
Total	-	-
11 Long-term loans and advances		
Security deposits		
Secured, considered good	-	-
Unsecured, considered good	-	-
Doubtful	-	-
Less: Provision for doubtful deposits	-	-
Loans and advances to related parties		
Secured, considered good	-	-
Unsecured, considered good	-	-
Doubtful		
Less: Provision for doubtful loans and advances		
Others	-	-
Advance income tax # (net of provisions `	58,742,735	59,742,735
Total	**58,742,735**	**59,742,735**
12 CURRENT INVESTMENTS (AT COST)		
Investment in Unquoted Equity Shares	-	-
13. Trade Receivables		
Trade receivables outstanding for a period exceeding six		
Unsecured Considered Good	6,925,750	-
Considered Doubtful	-	
Less: Provision for doubtful debts	-	
Sub Total	**6,925,750**	**-**

TABLE 10. SHORT TIME LOANS AND ADVANCES

PARTICULARS	As at 31/Mar/18	As at 31/Mar/17
14 Cash and cash equivalents		
(a) Cash on hand	-	-
(b) Cheques, drafts on hand		
(c) Balances with banks		
(i) In current accounts	16,596	238,883
- Unpaid dividend accounts	**103,172**	103,172
Total	**119,768**	**342,055**
15 Short-term loans and advances		
Loans and advances to employees	33,000	
Secured, considered good	413,800	15000
Unsecured, considered good	-	-
Doubtful	-	-
Less: Provision for doubtful loans and advances	-	-
Prepaid expenses - Unsecured, considered good (For e.g.	-	-
Balances with government authorities	-	-
Total	**446,800**	**15,000**
16 Other current assets		
Others		
(i) Insurance claims	-	-
(ii) Other Receivables	-	-
(iii) Dividend Receivable	-	-
(iv) Others (specify nature)-GST Input	477,107	-
Rent Receivable	-	-
Less Provisions	-	-
Total	**477,107**	**-**
17 Revenue from operations		
Sale of products	-	-
Sale of services	9,525,750	-
Other operating revenues		
Total	**9,525,750**	**-**

TABLE 11. OPERATIONS AND OTHER EXPENSES

PARTICULARS	As at 31/Mar/18	As at 31/Mar/17
19 Employee benefits expense		
Salaries & Allowances	3,253,225	1,104,333
Contribution to Provident and other funds	149,423	68,814
Staff Welfare Expenses	45,273	30,816
TOTAL	**3,447,921**	**1,203,963**
20 OPERATION AND OTHER EXPENSES		
Electricity Charges	457,957	-
Maintenance	322,430	
Water	38,171	
Rent	1,797,860	-
Rates & taxes	10,000	396,646
Insurance	-	-
Repairs & Maintenance - Buildings	-	33,410
Repairs & Maintenance - Plant and Machinery	-	-
Communication Expenses	155,198	23,980
Travelling Expenses	14,900	38,292
Audit fee	618,000	857,802
Other Audit expenses	-	-
Penalty, Fine etc	-	138,377
Legal ,Professional and Secretarial Expenses	4,188,729	3,436,048
Exchange difference (Net)	99	(19,047)
Payables / Receivables written off	(2,552,355)	(23,491,356)
Loss on Sale of Investments-Aspire	-	-
Other Expenses	(4,481,110)	61,854
Loss on sale of assets	-	-
TDS exces paid	-	-
Commission	-	-
Provision for rent receivable	-	-
Bank Charges	4,411	5,355
Office Maintenance	81,476	93,062
Excess service credit write off	-	-
TOTAL	**655,767**	**(18,425,578)**

TABLE 12. CONTINGENT LIABILITIES

NOTES ON ACCOUNTS	As at 31.03.2018	As at 31.03.2017
24 CONTINGENT LIABILITIES		
Guarantees given on behalf of other companies	-	-
Claims against the company not acknowledged as debt in respect of certain tax matters which are subjudice	-	-
i) Income Tax (net of deposit)	133,960,202	132,001,334
ii) Service Tax	35,52,977	35,52,977
25 OTHER FINANCIAL INFORMATION		
Outstanding Bank Guarantees	-	-
Reimbursement of travel expenses to Directors	-	-
Sitting Fees paid / payable to Directors	-	-
26 GOING CONCERN		
Company has started its business with overseas and Indian Clients with new management tream. After five years, companys has generated 10 million revenue with 20 percent profitability. The vision of the new management is to make this company as one of the emerging IT innovative revenue with the mission of 1 billion revenue within 2025. The Vision and Mission of the company achieved byb adopting new technologies and also by acquiring multiple companies around the world.		
27 DISCONTINUING OPERATIONS	NA	NA
28 BASIS FOR PREPARATION		
Financial statements have been prepared under the historical cost convention and comply with accounting standards in all material respects		
29 IMPAIRMENT OF ASSETS		
a) Impairment of Fixed Assets There is no impairment of such assets.		

TABLE 13. UNSECURED LOANS AND AUDITORS REMUNERATION

NOTES ON ACCOUNTS	As at 31.03.2018	As at 31.03.2017
30 TRADE RECEIVABLES & PAYABLES		
31 UNSECURED LOAN FROM ASSOCIATE COMPANIES		
Company has taken unsecured loans as given below form various companies		
1. Chemoil Advanced Management Services Pvt Ltd	-	25,64,35,173
2. Chemoil Information Services Pvt Ltd	-	-
3. Chemoil International Pte Ltd	-	6,92,47,076
4. Chemoil Europe B.V	-	2,53,97,728
Total	-	35,10,79,977
32 TRANSFER PRICING		
33 QUANTITATIVE DETAILS		
Not applicable since the Company is not engaged in any trading activities.		
34 AUDITORS' REMUNERATION		
Payments to Auditors comprise the following:		
Statutory Audit	500,000	500,000
Tax Audit	-	150,000
Limited Review and Consolidation	400,000	950,000
Internal Audit fee, Certification & other expenses	-	245,000
Total	900,000	1,845,000
35 VALUE OF IMPORTS ON CIF BASIS		
Capital Goods	Nil	Nil
36 FOREIGN CURRENCY TRANSACTION		
Foreign currency transactions in respect of Banking transactions are accounted at the exchange rates ruling on the date of transaction.		

TABLE 14. EARNINGS OF FOREIGN CURRENCY

NOTES ON ACCOUNTS	As at 31.03.2018	As at 31.03.2017
37 EXPENDITURE IN FOREIGN CURRENCY	Nil	Nil
38 EARNINGS IN FOREIGN CURRENCY		
Sales	9,525,750	Nil
Other Income	-	-
39 DIVIDEND REMITTED IN FOREIGN CURRENCY	Nil	Nil
40 SEGMENT REPORTING		
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.		
41 DISCLOSURE UNDER AS 15 REVISED ON EMPLOYEE BENEFITS		
PF , Gratuity , leave encashment and other medical benefits have been provided as per rules.		
42. RELATED PARTY DISCLOSURE		
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.		
RELATED PARTY TRANSACTIONS		
With Subsidiaries	-	-
With other group Companies		
1. Chemoil Advanced management Services P Ltd	-	-
Interest On loan	-	-
Unsecured Loans	-	58,26,000
Other Payables	-	-
2. Chemoil International Pte Ltd	-	-
Unsecured Loans	-	-
43 EARNINGS PER SHARE		
Weighted average - No. of shares	12,365,006	12,365,006
Profit after Tax - $	4,422,062	1,73,76,592
Basic Earnings per Share - $	0.36	1.41
4 As at March 31, 2018 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.		

TABLE 15. DISPUTE TABLE

S. No	Name of the Statute	Nature of the dues	Amount in Rs	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)	1,96,36,828	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	13,39,60,202	
	Service Tax	Service Tax	35,52,977 *	Appeal against order in appeal

Consolidated Ind AS Financial Statements

INDEPENDENT AUDITOR'S REPORT

To the Members of California Software Company Limited

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of California Software Company Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associates, comprising of the consolidated Balance Sheet as at March 31, 2018, the consolidated Statement of Profit and Loss including other comprehensive income, the consolidated Cash Flow Statement, the consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its Associates in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standard) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its associates 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 Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS 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 thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as 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 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 Ind AS 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 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 is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS 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 and its associates as at March 31, 2018, their consolidated profit including other comprehensive income, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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 purpose of our audit of the aforesaid consolidated Ind AS financial statements;

(b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books;

(c) The consolidated Balance Sheet, consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the consolidated Cash Flow Statement and consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;

(d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standard) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2018 taken on record by the Board of Directors of the Holding Company and on the basis of written representations received from directors of its subsidiaries incorporated in India none of the directors of the Group's companies, incorporated in India is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting of the Holding Company and its subsidiary companies incorporated in India, refer to our separate report in "Annexure 1" to this report;

(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:

- The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group in the consolidated Ind AS financial statements;
- Provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
- There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company during the year ended March 31, 2018. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by its subsidiaries incorporated in India during the year ended March 31, 2018.

For N. Balasubramanian Associates
Chartered Accountants
ICAI Firm Registration Number: F0355S

N. Balasubramanian
Partner
Membership Number: 023445
Place of Signature: Chennai
Date: August 31, 2018

ANNEXURE 1 - TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF CALIFORNIA SOFTWARE COMPANY LIMITED

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

In conjunction with our audit of the consolidated financial statements of California Software Company Limited as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of California Software Company Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or

timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, maintained in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For N. Balasubramanian Associates
Chartered Accountants
ICAI Firm Registration Number: F0355S

N. Balasubramanian
Partner
Membership Number: 023445
Place of Signature: Chennai
Date: August 31, 2018

TABLE 1. CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2018

Particulars	Note No.	Fig. as at 31.03.2018 Rs	Fig. as at 31.03.2017 Rs
I. EQUITY AND LIABILITIES			
1. Shareholders' funds			
(a) Share capital	1	158,758,060	123,650,060
(b) Reserve and surplus	2	(97,986,969)	(418,217,513)
(c) Money received against share warrants		-	-
Total		**60,771,091**	**(294,567,453)**
2. Share application money pending allotment		-	-
3. Non-Current liabilities			
(a) Long-term borrowings	3	-	-
(b) Deferred tax liabilities (Net)		-	-
(c) Other Long term liabilities		-	-
(d) Long-term provisions		-	-
Total		**-**	**-**
4. Current liabilities			
(a) Short-term borrowings	4	3,166,105.00	351,079,977
(b) Trade payables	5	1,067,180	2,658,286
(c) Other Current Liabilities	6	1,585,610	811,325
(d) Short-term provisions	7	240,758	240,758
Total		**6,059,653**	**354,790,345**
TOTAL		**66,830,744**	**60,222,893**
II. ASSETS			
1. Non-current assets			
(a) Fixed Assets			
(i) Tangible assets	8	-	-
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
(b) Non-current investments	9	5,500	5,500
(c) Deferred tax assets (net)		-	-
(d) Long-term loans and advances	10	58,742,735	59,742,735
(e) Other non-current assets	11	-	-
Total		**58,748,236**	**59,748,236**
2. Current assets			
(a) Current investments		-	-
(b) Inventories		-	-
(c) Trade receivable	12	6,925,750	-
(d) Cash and cash equivalents	13	232,851	459,658
(e) Short-term loans and advances	14	446,800	-
(f) Other current assets	15	477,106	15,000
Total		**8,082,507**	**474,658**
TOTAL		**66,830,743**	**60,222,894**
Notes refereed to above from an integral part of the accounts			
Vide our Report of even date	**For California Software Company Limited**		
For N. Balasubramanian Associates			
Chartered Accountants F No 0355S			
N. Balasubramanian			
Partner. M. No. 023445	**Dr. Vasudevan M**		**Dr. Pasupathi Raju**
Place : Chennai ; Date : 29th May 2018	Managing Director		Director

TABLE 2. CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

Particulars	Note No.	Fig. as at 31.03.2018 Rs	Fig. as at 31.03.2017 Rs
I. Revenue from operations	16	9,525,750	-
II. Other Income	17	(1,961)	171,589
III. Total Revenue (I+II)		**9,523,789**	**171,589**
IV. Expenses:			
Employee benefits expense	18	3,447,921	1,203,963
Operation and Other Expenses	19	717,326	(18,504,549)
Finance Costs	20	-	-
Depreciation & Amortization	21	-	-
Total Expenses		**4,165,247**	**(17,300,586)**
V Profit before exceptional and extraordinary			
items and tax (III-IV)		5,358,542	17,472,175
VI Exceptional Items	22	-	-
VII Profit before extraordinary items and Tax (V-VI)		5,358,542	17,472,175
VIII Extraordinery items		-	-
IX Profit before Tax (VII-VIII)		5,358,542	17,472,175
(3) Current tax expense relating to prior years		-	-
Total		1,000,000	-
XI Profit / (Loss) for the period from continuing			
Operations (IX-X)		4,358,542	17,472,175
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)		4,358,542	17,472,175
Less Minority Interest		-	-
XV Profit / (Loss) for the period (XI+XIV)		4,358,542	17,472,175
XVI Earnings per equity share:			
(1) Basic		0.27	1.41
(2) Diluted		0.27	1.41
Notes refereed to above from an integral part of the accounts			
Vide our Report of even date	**For California Software Company Limited**		
For N. Balasubramanian Associates			
Chartered Accountants F No 0355S			
N. Balasubramanian			
Partner. M. No. 023445	**Dr. Vasudevan M**		**Dr. Pasupathi Raju**
Place : Chennai ; Date : 29th May 2018	Managing Director		Director

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

ORGANIZATION AND NATURE OF OPERATIONS

California Software Company Limited (hereinafter referred to as "the Company" or "the Parent Company") and its subsidiaries (hereinafter collectively referred to as "the Group") are primarily engaged in providing a range of software development services, business process outsourcing services and IT infrastructure services. The Company was incorporated under the provisions of the Companies Act applicable in India in February 1992, having its registered office at 2nd Floor, Unit 9, STPI Building, 5 Rajiv Gandhi Road, Taramani, Chennai 600113.

The Group leverages its offshore infrastructure and professionals to deliver solutions across select verticals including financial services, manufacturing (automotive, aerospace, Hi-tech, semi-conductors), life sciences & healthcare, public services (oil and gas, energy and utility, travel, transport and logistics), retail and consumer products, telecom, media, publishing and entertainment.

The consolidated financial statements for the year ended 31 March 2018 were approved and authorized for issue by the Board of Directors on 28 May 2018.

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

These consolidated financial statements have been prepared under the historical cost convention on an accrual and going concern basis, except for the following assets and liabilities which have been measured at fair value:

a) Derivative financial instruments,

b) Certain financial assets and liabilities (refer accounting policy regarding financial instruments),

The accounting policies adopted in the preparation of these consolidated financial statements are consistent with those of the previous year.

The Group uses the Indian rupee (' ₹ ') as its reporting currency.

Basis of Consolidation

The consolidated financial statements comprise the financial statements of California Software Company Limited, the Parent Company, and its subsidiaries. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary.

Control is achieved when the Group is exposed, or has rights to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

a) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)

b) Exposure, or rights, to variable returns from its involvement with the investee, and

c) The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

a) The contractual arrangement with the other vote holders of the investee

b) Rights arising from other contractual arrangements

c) The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

The financial statements of the subsidiaries in the Group are added on a line-by-line basis and inter-company balances and transactions including unrealized gain / loss from such transactions, are eliminated upon consolidation. The consolidated financial statements are prepared by applying uniform accounting policies in use by the Group.

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not in control or joint control over those policies. The aggregate of the Group's share of profit and loss of an associate is shown on the face of the statement of profit and loss.

Use of estimates

The preparation of consolidated financial statements in conformity with Ind AS requires the management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue, expenses and other comprehensive income (OCI) that are reported and disclosed in the consolidated financial statements and accompanying notes. These estimates are based on the management's best knowledge of current events, historical experience, actions that the Group may undertake in the future and on various other assumptions that are believed to be reasonable under the circumstances. Significant estimates and assumptions are used for, but not limited to, accounting for costs expected to be incurred to complete performance under fixed price projects, allowance for uncollectible accounts receivables, accrual of warranty costs, income taxes, valuation of share-based compensation, future obligations under employee benefit plans, the useful lives of property, plant and equipment, intangible assets, impairment of goodwill, and other contingencies and commitments. Changes in estimates are reflected in the consolidated financial statements in the year in which the changes are made. Actual results could differ from those estimates.

Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is the aggregate of the consideration transferred measured at fair value at the acquisition date and the amount of any non-controlling interest in the acquiree. For each business combination, the Group measures the non-controlling interest in the acquiree at fair value. Acquisition related costs are expensed as incurred.

Any contingent consideration to be transferred by the acquirer is recognized at fair value at the acquisition date. Contingent consideration classified as financial liability is measured at fair value with changes in fair value recognized in the statement of profit and loss.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interest, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the excess is recognized as capital reserve after reassessing the fair values of the net assets.

Foreign currency and translation

The Group's consolidated financial statements are presented in Indian Rupee (`), which is also the parent company's functional currency. For each entity, the Group determines the functional currency which is its respective local currency, except for four subsidiaries outside India being investment companies which use the '$' as their functional currency, and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and on disposal of a foreign operation the gain or loss that is reclassified to the statement of profit and loss reflects the amount that arises from using this method.

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date of the transaction. Foreign currency denominated monetary assets and liabilities are translated to the relevant functional currency at exchange rates in effect at the balance sheet date. Exchange differences arising on settlement or translation of monetary items are recognized in the statement of profit and loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of initial transaction. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the year. Revenue, expenses and cash-flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

The translation of foreign operations from respective functional currency into INR (the reporting currency) for assets and liabilities is performed using the exchange rates in effect at the balance sheet date, and for revenue, expenses and cash flows is performed using an appropriate daily weighted average exchange rate for the respective years. The exchange differences arising on translation for consolidation are reported as a component of 'other comprehensive income (loss)'. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognized in the statement of profit and loss.

Fair value measurement

The Group records certain financial assets and liabilities at fair value on a recurring basis. The Group determines fair values based on the price it would receive to sell an asset or pay to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or most advantageous market for that asset or liability.

The Group holds certain fixed income securities, equity securities and derivatives, which must be measured using the guidance for fair value hierarchy and related valuation methodologies. The guidance specifies a hierarchy of valuation techniques based on whether the inputs to each measurement are observable or unobservable. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect the Group's assumptions about current market conditions. The fair value hierarchy also requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The prescribed fair value hierarchy and related valuation methodologies are as follows:

Level 1 - Quoted inputs that reflect quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2 - Quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active and model-derived valuations, in which all significant inputs are directly or indirectly observable in active markets.

Level 3 - Valuations derived from valuation techniques, in which one or more significant inputs are unobservable inputs which are supported by little or no market activity.

In accordance with Ind AS 113, assets and liabilities are to be measured based on the following valuation techniques:

- Market approach – Prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities.
- Income approach – Converting the future amounts based on market expectations to its present value using the discounting method.
- Cost approach – Replacement cost method.

Certain assets are measured at fair value on a non-recurring basis. These assets consist primarily of non-financial assets such as goodwill and intangible assets. Goodwill and intangible assets recognized in business combinations are measured at fair value initially and subsequently when there is an indicator of impairment, the impairment is recognized.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant who would use the asset in its highest and best use.

Revenue recognition

Contracts involving provision of services

Revenue is recognized when persuasive evidence of an arrangement exists, services have been rendered, the fee is determinable and collectability is reasonably assured. Contracts can be primarily categorized as time-and-material or fixed price contracts.

Time-and-material contracts

Revenue with respect to time-and-material contracts is recognized as the related services are performed.

Fixed Price contracts

Revenue related to contracts providing maintenance and support services, is recognized over the term of the contract where the Group has continuing obligation.

Revenue from technology integration and complex network building contracts is recognized in accordance with the Percentage-Of-Completion (POC) method. Under the POC method, progress towards completion is measured based on either achievement of specified contract milestones, cost incurred as a proportion of estimated total cost or other measures of progress when available. If circumstances arise that change the original estimates of revenues, costs, or extent of progress towards completion, revisions are made to the estimates. These revisions may result in increase or decrease in estimated revenues or costs, and such revisions are reflected in income in the year in which the circumstances that gave rise to the revision become known to the management. Provisions for estimated losses, if any, on contracts-in-progress are recorded in the period in which such losses become probable based on the current cost estimates. Contract losses are determined to be the amount by which the estimated total cost to complete exceeds the estimated total revenue that will be generated by the contract and are included in cost of services and classified in other accrued liabilities.

In arrangements involving sharing of customer revenues, revenue is recognized when the amounts are known and the right to receive is established. Incremental revenue from existing contracts arising on future sales to the customers is recognized when it is earned and collectability is reasonably assured.

Revenues from unit-priced contracts are recognized as transactions are processed, based on objective measures of output.

Revenue from product sales are shown net of sales tax and applicable discounts and allowances. Revenue related to product with installation services that are critical to the product is recognized when installation of product at customer site is completed and accepted by the customer. If the revenue for a delivered item is not

recognized for non-receipt of acceptance from the customer, the cost of the delivered item continues to be in inventory.

Multiple-element arrangements

When a sales arrangement contains multiple elements, such as services, hardware and software products and licenses, revenue for each element is determined based on its fair value.

Revenue recognition for delivered elements is limited to the amount that is not contingent on the future delivery of products or services, future performance obligations or subject to customer-specified return or refund privileges.

Revenue from activities in transition services not having standalone value in outsourcing arrangements is deferred and recognized over the period of the arrangement. Direct and incremental costs in relation to such an arrangement are also deferred to the extent of revenue. Certain upfront non-recurring contract acquisition costs incurred in the initial phases of outsourcing contracts are deferred and amortized usually on a straight line basis, over the term of the contract unless revenues are earned and obligations are fulfilled in a different pattern. The undiscounted cash flows from the arrangement are periodically estimated and compared with the unamortized costs. If the unamortized costs exceed the undiscounted cash flow, a loss is recognized.

In instances when revenue is derived from sales of third-party vendor services, material or licenses, revenue is recorded on a gross basis when the Group is a principal to the transaction and net of costs when the Group is acting as an agent between the customer and the vendor. Several factors are considered to determine whether the Group is a principal or an agent, most notably whether the Group is the primary obligor to the customer, has established its own pricing, and has inventory and credit risks.

Revenue is recognized net of discounts and allowances, value-added tax and goods & service tax, and includes reimbursement of out-of-pocket expenses, with the corresponding out-of-pocket expenses included in cost of revenues.

Revenue from financing leases is recognized when risk of loss has been transferred to the client and there are no unfulfilled obligations that affect the final acceptance of the arrangement by the client. Revenue from operating leases is accounted on a straight-line basis as service revenue over the rental period. Interest attributable to financing leases included therein is recognized on an accrual basis using the effective interest method.

Interest income

Interest income for all financial instruments measured at amortized cost is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the EIR, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

Income taxes

Income tax expense comprises current and deferred income tax.

Income tax expense is recognized in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Provision for income tax includes the impact of provisions established for uncertain income tax positions.

Deferred income tax assets and liabilities recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax assets and liabilities are recognized for those temporary differences which originate during the tax holiday period are reversed after the tax holiday period. For this purpose, reversal of timing differences is determined using first-in-first-out method.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assetsagainst current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the year that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. Deferred income taxes are not provided on the undistributed earnings of subsidiaries and branches where it is expected that the earnings of the subsidiary or branch will not be distributed in the foreseeable future.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognized subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction in goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognized in the statement of profit and loss.

In some tax jurisdictions, tax deductions on share based payments to employees are different from the related cumulative remuneration expenses. If the amount of the tax deduction (or estimated future tax deduction) exceeds the amount of the related cumulative remuneration expense, the excess of the associated tax is recognized directly in retained earnings.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. The Group identifies and determines separate useful lives for each major component of the property, plant and equipment, if they have a useful life that is materially different from that of the asset as a whole.

Expenses on existing property, plant and equipment, including day-to-day repairs, maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the year during which such expenses are incurred.

Gains or losses arising from derecognition of assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Property, plant and equipment under construction and cost of assets not ready for use at the year-end are disclosed as capital work-in-progress.

Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

Intangible assets are amortized over the useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting year. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

The intangible assets are amortized over the estimated useful life of the assets as mentioned below except certain Licensed IPRs which include the right to modify, enhance or exploit are amortized in proportion to the expected benefits over the useful life which could range up to 15 years

Research and development costs

Research costs are expensed as incurred. Development expenditure, on an individual project, is recognized as an intangible asset when the Group can demonstrate:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized over the period of expected future benefit. Amortization expense is recognized in the statement of profit and loss. During the period of development, the asset is tested for impairment annually.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Inventory

Stock-in-trade, stores and spares are valued at the lower of the cost or net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

Cost of stock-in-trade procured for specific projects is assigned by identifying individual costs of each item. Cost of stockin- trade, that are interchangeable and not specific to any project and cost of stores and spare parts are determined using the weighted average cost formula.

Impairment of non-financial assets

Goodwill

Goodwill is tested annually on March 31, for impairment, or sooner whenever there is an indication that goodwill may be impaired, relying on a number of factors including operating results, business plans and future cash flows. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the Group's cash generating units (CGU) expected to benefit from the synergies arising from the business combination. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets. Impairment occurs when the carrying amount of a CGU including the goodwill, exceeds the estimated recoverable amount of the CGU. The recoverable amount of a CGU is the higher of its fair value less cost to sell and its value-in-use. Value-in-use is the present value of future cash flows expected to be derived from the CGU. Total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of

the CGU, pro-rata on the basis of the carrying amount of each asset in the CGU.

An impairment loss on goodwill recognized in the statement of profit and loss is not reversed in the subsequent period.

Intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs. If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which

the carrying value of the asset exceeds the estimated recoverable amount of the asset.

Provisions

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows.

Equity settled stock based compensation

Stock-based compensation represents the cost related to stock-based awards granted to employees. The Company measures stock-based compensation cost at grant date, based on the estimated fair value of the award and recognizes the cost (net of estimated forfeitures) on a straight line basis over the requisite service period for each separately vesting portion of the award, as if award was in substance, multiple awards. The Company estimates the fair value of stock options using the Black-Scholes valuation model. The cost is recorded under the head employee benefit expense in the statement of profit and loss with corresponding increase in "Share Based Payment Reserve".

Financial Instruments

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

All financial assets are recognized initially at fair value. Transaction costs that are directly attributable to the acquisition of financial assets (other than financial assets at fair value through profit or loss) are added to the fair value measured on initial recognition of financial asset. Purchase and sale of financial assets are accounted for at trade date.

Cash and short-term deposits

Cash and short-term deposits in the balance sheet comprise cash in banks and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

Financial assets at amortized cost

A financial asset is measured at the amortized cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in other income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss.This category includes cash and bank balances, loans, unbilled revenue, trade and other receivables.

Financial asset at Fair Value through Other Comprehensive Income (OCI)

A financial asset is classified and measured at fair value through OCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent solely payments of principal and interest.

Financial asset included within the OCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in OCI. Interest income is recognized in statement of profit and loss for debt instruments. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from OCI to statement of profit and loss.

Financial assets at Fair Value through Profit and Loss

Any financial asset, which does not meet the criteria for categorization at amortized cost or at fair value through other comprehensive income, is classified at fair value through profit and loss. Financial assets included at the fair value through profit and loss category are measured at fair value with all changes recognized in the statement of profit and loss.

Equity investments

Equity investments, for which sufficient, more recent, information to measure fair value is not available, are measured at cost. Other equity investments in scope of Ind AS 109 are measured at fair value through profit and loss.

Equity investments included within the fair value through profit and loss category are measured at fair value with all changes recognized in the statement of profit and loss.

Derecognition of financial assets

A financial asset is primarily derecognized when the rights to receive cash flows from the asset have

expired, or the Group has transferred its rights to receive cash flows from the asset.

Impairment of financial assets

The Group recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit and loss. Lifetime ECL allowance is recognized for trade receivables with no significant financing component. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case they are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date is recognized in statement of profit and loss.

Financial liabilities

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade payables, borrowings including bank overdrafts and other payables.

After initial recognition, financial liabilities are subsequently measured at amortized cost using the effective interest rate (EIR) method except for deferred consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. Gains and losses are recognized in the statement of profit and loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

Derivative financial instruments and hedge accounting

Foreign exchange forward contracts and options are purchased to mitigate the risk of changes in foreign exchange rates associated with forecast transactions denominated in certain foreign currencies.

The Group recognizes all derivatives as assets or liabilities measured at their fair value. Changes in fair value for derivatives not designated in a hedge accounting relationship are marked to market at each reporting date and the related gains (losses) are recognized in the statement of profit and loss as 'foreign exchange gains (losses)'.

The foreign exchange forward contracts and options in respect of forecast transactions which meet the hedging criteria are designated as cash flow hedges. Changes in the derivative fair values (net of tax) that are designated as effective cash flow hedges are deferred and recorded in the hedging reserve account as a component of accumulated 'other comprehensive income (loss)' until the hedged transaction occurs and are then recognized in the statement of profit and loss. The ineffective portion of hedging derivatives is immediately recognized in the statement of profit and loss.

In respect of derivatives designated as hedges, the Group formally documents all relationships between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The Group also formally assesses both at the inception of the hedge and on an ongoing basis, whether each derivative is highly effective in offsetting changes in fair values or cash flows of the hedged item.

Hedge accounting is discontinued prospectively from the last testing date when (1) it is determined that the derivative financial instrument is no longer effective in offsetting changes in the fair value or cash flows of the underlying exposure being hedged; (2) the derivative financial instrument matures or is sold, terminated or exercised; or (3) it is determined that designating the derivative financial instrument as a hedge is no longer appropriate. When hedge accounting is discontinued the deferred gains or losses on the cash flow hedge remain in 'other comprehensive income (loss)' until the forecast transaction occurs. Any further change in the fair value of the derivative financial instrument is recognized in current year earnings.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis to realize the assets and settle the liabilities simultaneously.

Dividend

Final dividend proposed by the Board of Directors are recognized upon approval by the shareholders who have the right to decrease but not increase the amount of dividend recommended by the Board of Directors. Interim dividends are recognized on declaration by the Board of Directors.

Earnings per share (EPS)

Basic EPS amounts are computed by dividing the net profit attributable to the equity holders of the parent company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are computed by dividing the net profit attributable to the equity holders of the parent company by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. the average market value of the outstanding shares). Dilutive potential equity shares are deemed converted as at the beginning of the year, unless issued at a later date. Dilutive potential equity shares are determined independently for each year presented.

Recently issued accounting pronouncements

On 28 March 2018, the Ministry of Corporate Affairs (MCA), notified Companies (Indian Accounting Standards) (Amendments) Rules, 2018, amending the following standards:

Appendix B to Ind AS 21, 'Foreign Currency Transactions and Advance Consideration'

The amendment clarifies that, in determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which an entity initially recognizes the non-monetary asset or non-monetary liability arising from the advance consideration.

The Appendix is effective for annual periods beginning on or after 1 April 2018. However, since the Group's current practice is in line with the Interpretation, the Group does not expect any effect on its consolidated financial statements.

Ind AS 115, Revenue from Contract with Customers

Ind AS 115 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. Ind AS 115 will supersede the current revenue recognition standard Ind AS 18 Revenue, Ind AS 11 Construction Contracts. The effective date for adoption of Ind AS 115 is financial periods beginning on or after 1 April 2018.

The core principle of Ind AS 115 is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Under Ind AS 115, an entity recognizes revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer.

The standard permits two possible methods of transition:

- Retrospective approach-Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach)

The Group is currently evaluating the impact that the adoption of this new standard will have on its consolidated financial statements.

TABLE 3. SHARE CAPITAL

NOTES ON ACCOUNTS	31.03.2018 Rs	31.03.2017 Rs
1 SHARE CAPITAL		
A		
AUTHORISED CAPITAL		
21,000,000 Equity Shares of Rs.10/- each with equal voting rights	210,000,000	150,000,000
4,000,000 Preference Shares of Rs.10/- each with equal voting right	40,000,000	
Total	250,000,000	150,000,000
ISSUED CAPITAL		
123,65,006 Equity Shares of Rs.10/- each with equal voting rights	123,650,060	123,650,060
3510800 Optionally Convertible Redeemable Preference Shares(OCRPS) at Rs.10	35,108,000	
Total	158,758,060	123,650,060
SUBSCRIBED, CALLED UP AND PAID UP CAPITAL		
123,65,006 Equity Shares of Rs.10/- each with equal voting rights	123,650,060	123,650,060
3510800 Optionally Convertible Redeemable Preference Shares(OCRPS) at Rs.10	35,108,000	
Total	158,758,060	123,650,060
(The paid up share capital includes shares worth Rs. 7,24,920		
which were issued by the company in October 1994 for		
consideration other than cash)		
B Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting		
C Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates:		
D Details of shares held by each shareholder holding more than 5% shares:		

TABLE 4. RESERVE AND SURPLUS

NOTES ON ACCOUNTS	31.03.2018 Rs	31.03.2017 Rs
(b) Reserve and surplus		
(A) Capital reserve		
Opening balance	206,250	206,250
Add: Additions during the year (give details)		
Less: Utilised / transferred during the year (give details)		
Closing balance	206,250	206,250
Foreign Currency Transalation reserve		
Add: Current Year		
Closing balance	-	-
(B) Securities premium account		
Opening balance	633,084,932	633,084,932
Add : Premium on Preference shares issued during the year(351080	315,972,000	
Closing balance	949,056,932	633,084,932
(C) General reserve		
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
(D) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	(1,117,372,936)	(1,134,845,111)
Add: Profit / (Loss) for the year	4,358,542	17,472,175
Less: Surplus / Deficit of disinvested subsidiary(CSWL)	-	
	-	-
	-	-
Closing balance	(1,113,014,404)	(1,117,372,936)
Total	(97,886,969)	(418,217,501)

TABLE 5. CURRENT LIABILITIES AND TRADE PAYABLES

NOTES ON ACCOUNTS	31.03.2018 Rs	31.03.2017 Rs
3 Long-term borrowings		
(b) Term loans	-	-
From banks	-	-
Secured	-	-
Canara Bank Building Term Loan	-	-
Sanoma National Bank - Building	-	-
4 Short-term borrowings		
(a) Loans repayable on demand		
From Directors	3,166,105.00	
Glencore Loan	-	-
Chemoil AMS Loan Account	-	-
Chemoil Advanced Management Services Pvt Ltd	-	256,435,173
Chemoil Information Services Pvt Ltd	-	-
Chemoil International Pte Ltd	-	69,247,076
Chemoil Europe B.V	-	25,397,728
	-	-
Notes payable to related parties	-	-
Calsoft	-	-
	-	**351,079,977**
5 Trade Payables	1,067,180	**108,431**
Trade payable to related parties		
Chemoil Energy	-	2,549,855

TABLE 6. OTHER CURRENT LIABILITIES

NOTES ON ACCOUNTS	31.03.2018 Rs	31.03.2017 Rs
6 Other current liabilities		
(a) Current maturities of long-term debt	-	-
(b) Term Loan Instalments overdue for payment	-	-
(c) Interest accrued but not due on borrowings	-	-
(d) Interest accrued and due on borrowings	-	-
(e) Income received in advance (Unearned revenue)	-	-
(f) Unpaid dividends*	103,172	103,172
Rent Deposits	-	-
(i) Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, VAT, Service Tax, etc.)	-	-
TDS Payable	359,160	654
CST&VAT	-	-
EPF	9,193	-
Service tax	-	-
Salary/Professional Charges	337,085	-
	-	-
	-	-
	-	-
Other expenses Payable	777,000	707,500
Advance for sale of building	-	-
Total	**1,585,610**	**811,326**
*Of the above Rs.51163/- was due for Investor Protection and education fund on29/08/2014. Company trans		
the amount on 04/05/2015 and filed necessaary forms.		
7 Short-term provisions		
IT Provision	105,480	105,480
Provision for employee benefits	135,278	135,278
	-	
Others (Specify nature)	-	-
Total	**240,758**	**240,758**

TABLE 7. LONG TERM LOANS AND ADVANCES

NOTES ON ACCOUNTS	31.03.2018 Rs	31.03.2017 Rs
10 Long-term loans and advances		
(b) Security deposits		
Secured, considered good		
Unsecured, considered good	-	-
Doubtful	-	-
Less: Provision for doubtful deposits	-	-
	-	-
(c) Loans and advances to related parties (give details @)		
Secured, considered good	-	-
Unsecured, considered good	-	-
Doubtful	-	-
	-	-
Less: Provision for doubtful loans and advances	-	-
	-	-
(i) Other loans and advances (specify nature)	-	934,543.00
Secured, considered good	-	-
Unsecured, considered good	-	-
Doubtful	-	-
	-	-
Less: Provision for other doubtful loans and advances	-	-
	-	-
	-	-
	-	-
(f) Advance income tax # (net of provisions ` 41519871 (As at	58,742,735	59,742,735
Advance tax and Tax deducted at Source		
Less Provision for taxation		
Advance tax and Tax deducted at Source		
Fringe Benefit Tax		
Provision for Fringe Benefit Tax		
Net Provision for Fringe Benefit Tax		
Total		
Total	**58,742,735**	**60,677,278**

TABLE 8. OTHER NON CURRENT ASSETS

NOTES ON ACCOUNTS	31.03.2018 Rs	31.03.2017 Rs
11. Other Non Current Assets		
Other Non Current Assest	-	
12 CURRENT INVESTMENTS (AT COST)	-	-
Investment in Unquoted Equity Shares	-	-
In Subsidiaries	-	-
Investment In Labs	-	-
54,85,356 equity shares of Rs 10/- each fully paid up	-	-
12, Trade Receivables		
Unsecured Considered Good	6,925,750	0
Considered Doubtful	0	0
	6,925,750	0
Less: Provision for doubtful debts	0	0
Sub Total	6,925,750	0
Other Trade receivables	-	
Unsecured, considered good	-	-
Doubtful		
Less: Provision for doubtful trade receivables		
Sub Total	-	-
Grand Total	**6,925,750**	**0**
1. Due by firms or private companies in which any of the Director is a		
Partner or Director or a member		
(i) Chemoil Corporation USA		
(ii) chemoil Energy Limited - Singapore		
(iii) Chemoil advanced management services Private Limited, Chennai		
(iv)IPC (USA) Inc California, USA		
(v) Chemoil Middle East DMCC		
2. Due from Companies under the same management :		
(i)CSWL Incorporated. USA		
(ii) Inatech InfoSolutions Limited UK.		
(iii) Inatech Egypt		
(ii) Aspire Comunication Pvt Ltd		
13 Cash and cash equivalents		
(a) Cash on hand	0	0
(b) Cheques, drafts on hand	0	0
(c) Balances with banks	0	0
(i) In current accounts	129,679	243,243
(ii) In EEFC accounts	0	113,243
(iii) In deposit accounts (Refer Note (i) below)	0	0
(iv) In earmarked accounts	0	0
- Unpaid dividend accounts	103,172	103,172
Balances held as margin money or security against borrowings, gua	0	0
other earmarked accounts	0	0
(d) Others (specify nature)	0	0
Total	**232,851**	**459,658**

TABLE 9. SHORT TERM LOANS AND ADVANCES

NOTES ON ACCOUNTS	31.03.2018 Rs	31.03.2017 Rs
14 Short-term loans and advances		
(c) Loans and advances to employees	33,000	
Secured, considered good	413,800	
Unsecured, considered good	-	-
Doubtful	-	-
	-	-
Less: Provision for doubtful loans and advances	-	-
	-	-
(d) Prepaid expenses - Unsecured, considered good (For e.g.	-	-
Calsoft , Chennai	-	-
(e) Balances with government authorities	-	-
Unsecured, considered good	-	-
(i) CENVAT credit receivable	-	-
(ii) VAT credit receivable	-	-
(iii) Service Tax credit receivable	-	-
(iii) Service Tax credit receivable	18,182,525.05	18,182,525.05
Service Tax payable	18,184,800.26	18,184,800.26
Others	-	-
Inatech India	-	
Calsoft	-	-
Total	446,800	**0**
15 Other current assets		
(c) Accruals		
(i) Interest accrued on deposits	-	-
(ii) Interest accrued on investments	-	-
(iii) Interest accrued on trade receivables	-	-
Advance to Suppliers	-	-
(d) Others	-	15,000
(i) Insurance claims	-	-
(ii) Receivables on sale of investments	-	-
Dividend Receivable	-	-
(iv) Others (specify nature) GST	477,106	-
Rent Receivable	-	-
Less Provisions	-	-
	-	-
Others	-	-
Total	**477,106**	**15,000**

TABLE 10. REVENUE FROM OPERATIONS

NOTES ON ACCOUNTS	31.03.2018 Rs	31.03.2017 Rs
16 Revenue from operations		
Sale of products @ (Refer Note (i) below)	-	-
Sale of services @ (Refer Note (ii) below)	9,525,750.00	-
Other operating revenues # (Refer Note (iii) below)		
Total	**9,525,750.00**	**-**
17 Other income		
Other non-operating income comprises:		
Exchange Gain / Loss	(1,961)	16,612
Bad debts recovered	-	-
Miscellaneous income	-	154,977
Total - Other non-operating income	**(1,961)**	**171,589**
18 Employee benefits expense		
Salaries & Allowances	3,253,225	1,104,333
Contribution to Provident and other funds	149,423	68,814
Staff Welfare Expenses	45,273	30,816
Grtuity Provision	-	-
Total	**3,447,921**	**1,203,963**
19 OPERATION AND OTHER EXPENSES		
Project Expenses - Bought outs	-	-
Electricity Charges	457,957	-
Rent	1,797,860	-
Fees, Rates & taxes	10,000	-
Insurance	-	-
Repairs & Maintenance - Buildings	322,430	33,410
Water	38,171	-
Advertisement	8,400	-
Communication Expenses	155,198	23,980
Travelling Expenses	14,900	38,292
Data Circuit Expenses	-	-
Audit Fee	618,000	757,802
Penalty Fine etc	-	138,377
Legal ,Professional and Secretarial Expenses	4,247,729	3,436,048
Exchange difference (Net)	99	-
Provision for rent receivable	-	-
Other write offs	(2,552,355)	(23,491,356)
Loss on Sale of Investment Aspire	-	-
Other Expenses	(4,489,510)	458,500
Bank Charges	6,970	7,337
Office Expenses	81,476	93,062
Total	**717,326**	**(18,504,549)**

TABLE 11. CONTINGENT LIABILITIES

NOTES ON ACCOUNTS	As at 31.03.2018	As at 31.03.2017
24 CONTINGENT LIABILITIES		
Guarantees given on behalf of other companies	-	-
Claims against the company not acknowledged as debt in respect of certain tax matters which are subjudice	-	-
i) Income Tax (net of deposit)	133,960,202	132,001,334
ii) Service Tax	35,52,977	35,52,977
25 OTHER FINANCIAL INFORMATION		
Outstanding Bank Guarantees	-	-
Reimbursement of travel expenses to Directors	-	-
Sitting Fees paid / payable to Directors	-	-
26 GOING CONCERN		
Company has started its business with overseas and Indian Clients with new management tream. After five years, companys has generated 10 million revenue with 20 percent profitability. The vision of the new management is to make this company as one of the emerging IT innovative revenue with the mission of 1 billion revenue within 2025. The Vision and Mission of the company achieved byb adopting new technologies and also by acquiring multiple companies around the world.		
27 DISCONTINUING OPERATIONS	NA	NA
28 BASIS FOR PREPARATION		
Financial statements have been prepared under the historical cost convention and comply with accounting standards in all material respects		
29 IMPAIRMENT OF ASSETS		
a) Impairment of Fixed Assets There is no impairment of such assets.		

TABLE 12. TRADE RECEIVABLE AND PAYABLES

NOTES ON ACCOUNTS	As at 31.03.2018	As at 31.03.2017
30 TRADE RECEIVABLES & PAYABLES		
31 UNSECURED LOAN FROM ASSOCIATE COMPANIES		
Company has taken unsecured loans as given below form various companies		
1. Chemoil Advanced Management Services Pvt Ltd	-	25,64,35,173
2. Chemoil Information Services Pvt Ltd	-	-
3. Chemoil International Pte Ltd	-	6,92,47,076
4. Chemoil Europe B.V	-	2,53,97,728
Total	-	35,10,79,977
32 TRANSFER PRICING		
33 QUANTITATIVE DETAILS		
Not applicable since the Company is not engaged in any trading activities.		
34 AUDITORS' REMUNERATION		
Payments to Auditors comprise the following:		
Statutory Audit	500,000	500,000
Tax Audit	-	150,000
Limited Review and Consolidation	400,000	950,000
Internal Audit fee, Certification & other expenses	-	245,000
Total	900,000	1,845,000
35 VALUE OF IMPORTS ON CIF BASIS		
Capital Goods	Nil	Nil
36 FOREIGN CURRENCY TRANSACTION		
Foreign currency transactions in respect of Banking transactions are accounted at the exchange rates ruling on the date of transaction.		

TABLE 13. EARNINGS IN FOREIGN CURRENCY

NOTES ON ACCOUNTS	As at 31.03.2018	As at 31.03.2017
37 EXPENDITURE IN FOREIGN CURRENCY	Nil	Nil
38 EARNINGS IN FOREIGN CURRENCY		
Sales	9,525,750	Nil
Other Income	-	-
39 DIVIDEND REMITTED IN FOREIGN CURRENCY	Nil	Nil
40 SEGMENT REPORTING		
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.		
41 DISCLOSURE UNDER AS 15 REVISED ON EMPLOYEE BENEFITS		
PF , Gratuity , leave encashment and other medical benefits have been provided as per rules.		
42. RELATED PARTY DISCLOSURE		
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.		
RELATED PARTY TRANSACTIONS		
With Subsidiaries	-	-
With other group Companies		
1. Chemoil Advanced management Services P Ltd	-	-
Interest On loan	-	-
Unsecured Loans	-	58,26,000
Other Payables	-	-
2. Chemoil International Pte Ltd	-	-
Unsecured Loans	-	-
43 EARNINGS PER SHARE		
Weighted average - No. of shares	12,365,006	12,365,006
Profit after Tax - $	4,422,062	1,73,76,592
Basic Earnings per Share - $	0.36	1.41
4 As at March 31, 2018 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.		

TABLE 14. CASH FLOW

PARTICULARS	YEAR ENDED March 31,2018	YEAR ENDED March 31,2017
CASH FLOW FROM OPERATIONS		
Net profit before tax and extraordinary and prior	5,358,542	17,472,175
period items		
Adjustment for:		
Loss on disposal of asset	-	-
Depreciation and Impirements	-	-
Deferred expenses written off	-	-
Interest Income	-	-
Interest expense	-	-
Investment Write off	-	-
Transfer to reserves		
Minority Interest changes		
Total	**5,358,542**	**17,472,175**
Adjustment for:		
Current Assets, Loans and Advances	(7,934,656)	919,542
Current Liabilities & Provisions	(348,730,693)	(19,147,924)
Increase/ Decrease in net current asset	(356,665,349)	(18,228,382)
Cash generated from operations	**(351,306,806)**	**(756,207)**
Current Taxation	1,000,000	-
Deferred Taxation		
Other Items to be adjusted	-	-
NET CASH FROM OPERATIONS	**(350,306,806)**	**(756,207)**
CASH FLOW FROM INVESTING		
Purchase of fixed Assets net	-	-
Cash generated from sale of asset	-	-
Deferred tax Asset	-	-
Changes in Long Term Funds	(1,000,000)	
Change in Investments	-	-
Interest Income	-	-
NET CASH USED FOR INVESTING	**(1,000,000)**	**-**
CASH FLOW FROM FINANCING		
Loans borrowed (Net of repayment)	-	-
Deferred tax liability	-	-
Increase in unsecured Loans	-	-
Increase in capital	35,108,000	
Increase in Share premium	315,972,000	
Increase / (Decrease) in other resereves	-	-
Decrease in Capital Reserve		
Decrease in P/L due to new subsidiaries		
Increase in Cumulative Translation Reserve		
Minority Interest changes	-	-
Dividend Tax	-	-
Interest Expense	-	-
Dividend	-	-
NET CASH FROM FINANCING	**351,080,000**	**-**
Net increase/ decrease in cash or cash equivalents	**(226,806)**	**(756,207)**
Cash & Cash equivalents at the beginning of the year	459,657	1,215,864
Cash & Cash equivalents at the close of the year	**232,851**	**459,657**

TABLE 15. DISPUTE OF INCOME TAX AND SERVICE TAX

S. No	Name of the Statute	Nature of the dues	Amount in Rs	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)	1,96,36,828	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	13,39,60,202	
	Service Tax	Service Tax	35,52,977 *	Appeal against order in appeal

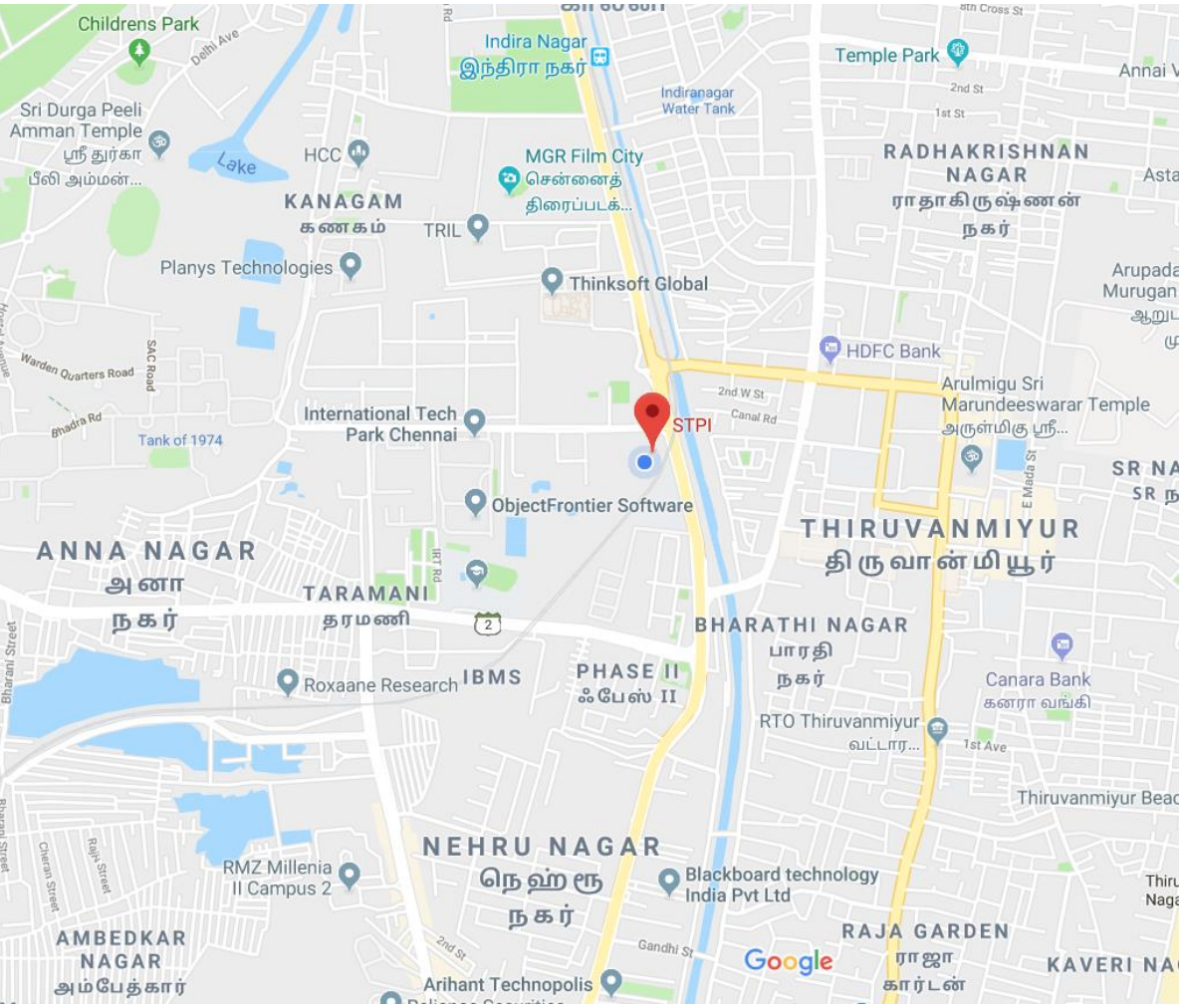
calsoft

Realize Your Ideas

ROUTE MAP OF AGM VENUE



TWENTY SIXTH AGM ON SATURDAY SEPTEMBER 29, 2018 AT 3.00 PM
AT 2nd Floor, Unit 9, STPI Building, 5 Rajiv Gandhi Road,
Taramani, Chennai 600113
Contact Nos: +91- 44-3910 3600, 3616-20, 3644-45



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CsDigital

CsCloud

CsBigData

CLIDAC

CLISAC

ARGCIC

CLPM

CALIFORNIA SOFTWARE COMPANY LIMITED

CIN : L72300TN1992PLC022135

Regd. Office : 2nd Floor, Unit 9, STPI Building, 5 Rajiv Gandhi Road, Taramani, Chennai - 600 113.
Phone : 044-3910 3600 / 044-3910 3620, Email: investor@calsoftgroup.com

ATTENDANCE SLIP

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

I/We hereby record my/our presence at the Annual General Meeting of the Company to be held at 2nd Floor, Unit 9, STPI Building, 5 Rajivi Gandhi Road, Taramani, Chennai - 600 113 at 3.00 p.m. on Saturday, September 29, 2018.

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

ELECTRONIC VOTING PARTICULARS

EVEN (E-Voting Event Number)	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.

CALIFORNIA SOFTWARE COMPANY LIMITED

CIN : L72300TN1992PLC022135

Regd. Office : 2nd Floor, Unit 9, STPI Building, 5 Rajiv Gandhi Road,
Taramani, Chennai - 600 113.
Phone : 044-3910 3600 / 044-3910 3620, Email: investor@calsoftgroup.com

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:

Email 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

Regd. Folio No. (Physical) / I.D. No (Demat) ..... No. of Shares held.....

I/We ..... residing at ..... being a shareholder/(s) of CALIFORNIA SOFTWARE COMPANY LIMITED hereby appoint.....of .....or failing him/her .....of..... as my/our Proxy to attend and vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held at 2nd Floor, Unit 9, STPI Building, 5 Rajivi Gandhi Road, Taramani, Chennai - 600 113 at 3.00 p.m. on Saturday, September 29, 2018 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No	Resolutions
	Ordinary Business
1.	Adoption of Financial Statements along with the Reports of the Board of Directors and of the Auditors thereon
2.	Ratification of Appointment of Auditors
	Special Business
3.	Appointment of Dr. Mahalingam Vasudevan as Managing Director and Chief Executive Officer (CEO)
4.	Appointment of Ms. Keerti Saraswat as a Woman and Independent Director of the Company
5.	Appointment of Dr. Pasupathy Raju as an Independent Director of the Company
6.	Appointment of Mr. B. Rangarajan as an Independent Director of the Company
7.	Appointment of Dr. Manimala Vasudevan as an Executive Director and Chief Operating Officer (COO)
8.	Appointment of Mr. Vijayakumar Madhavan as an Executive Director and Chief Financing Officer (CFO)

Signed at this.....day of.....2018

Affix Revenue Stamp

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.