



Realize Your Ideas

ANNUAL REPORT

2016-17

CORPORATE INFORMATION

Board of Directors

Frederick Ivor Bendle

Managing Director & CEO

Dr. P J George

Non Executive Independent Director

T R Ramasamy

Non Executive Independent Director (upto 12th August 2016)

Vasudevan Mahalingam

Non Executive Independent Director (wef 12th August 2016)

Vijayapriya

Woman Director (Non Executive Director)

Company Secretary & Compliance Officer

Jitendra Kumar Pal

Auditors

N. Balasubramanian Associates

Chartered Accountants

New No. 50, Manatapam Road, Kilpauk, Chennai - 600 006.

Stock Exchanges -Listed on

I - National Stock Exchange of India Limited

II - BSE Limited

Contact us:

Registered Office & Corporate Office

7th Floor, Robert V Chandran Tower

No.149, Velachery Tambaram Main Road,

Pallikarnai, Chennai- 600 100

Telephone Nos. +91- 44-42829000

Email for shareholders: investor@calsoftgroup.com

Website: www.calsoftgroup.com

Registrars and Share Transfer Agent

Integrated Registry Management Services Private Limited

(Unit: California Software Co Ltd)

2nd Floor, Kencees Towers,

1, Ramakrishna Street, North Usman Road

T Nagar, Chennai - 600017 India

Tel: +91-44- 28140801 to 28140803

Email: yuvraj@integratedindia.in

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Letter to Shareholder



Dear Shareholders,

With the cessation of the company's businesses in 2011 which were incurring heavy losses and the disposal of RVC Towers, the Company has cleared major problems which affected the liquidity of the Company. We are grateful to the Company's major shareholder for standing by the Company and consistently providing management and financial support in order to allow this process to take place in an orderly manner.

The Board of Directors continue to look for a potential investor who can inject additional funds and take the company to the growth path. The company is in advanced stage of negotiation to find potential investor.

Frederick Ivor Bendle
Managing Director & CEO

NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the Twenty Fifth Annual General Meeting of the Company will be held on Thursday, the 28th September 2017 at 10.00 a.m. at Temple Steps, Block I, 3rd Floor, 184-187, Anna Salai, Little Mount, Saidapet, Chennai-600 015 transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the
 - a) Audited Financial Statements of the Company for the financial year ended 31st March 2017
 - b) Audited Consolidated Financial Statements of the Company for the financial year ended 31st March 2017.
2. To appoint a Director in place of Mrs. VIJAYAPRIYA NARAYANAN (DIN-07172974), who retires by rotation and being eligible, offer herself for re-appointment.
3. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, and the Rules made there under and pursuant to the recommendation of the Audit Committee and Board of Directors and pursuant to the resolution passed at the members at the 24th Annual General Meeting held on 28th September 2016, the appointment of M/s. N. Balasubramanian Associates, Chartered Accountants (Firm Regn. No. 0355S), as auditors of the company to hold office till the conclusion of the AGM to be held in the AGM in the year 2021 be and is hereby ratified and that the Board of Directors of the Company be and are hereby authorized to fix their remuneration for the financial year ending 31st March 2018 as may be agreed upon between the auditors and the Board,

By order of the Board

For California Software Company Limited

Chennai
14th August 2017

Jitendra Kumar Pal
Company Secretary

Notes:

- a. A SHAREHOLDER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A SHAREHOLDER.
- b. The Register of Members and the Share Transfer Books of the Company will remain closed from 22nd September 2017 to 28th September 2017 (both days inclusive) in connection with the Annual General Meeting.
- c. Shareholders are given an option to hold their securities in a depository or in the physical form. However it may be noted that for trading purposes on NSE & BSE, the Company's stock is in compulsory demat trading list.
- d. Shareholders of physical format shares opting to convert shares to depository form are requested to notify through their Depository Participant (DP) to the Company's REGISTRAR AND SHARE TRANSFER AGENTS through filling the demat request form available with their DP to the address given herein:
INTEGRATED REGISTRY MANAGEMENT SERVICES PRIVATE LIMITED
Unit: California Software Co Ltd
"Kences Towers", II Floor, 1, Ramakrishna Street,
North Usman Road, T.Nagar, Chennai - 600 017
- e. Shareholders who hold their securities in physical form and need to complete any transfer of holdings or endorsements may forward their securities to the Company's Registrar and Share Transfer

Agents at the above address alongwith duly filled and stamped share transfer forms.

- f. Shareholders holding shares in physical format are requested to notify the Company's Registrar and Share Transfer Agents any change in their address immediately (with folio no reference) so as to enable the Company to send any future communication at their correct address. Those holding shares in demat format need to ensure that their correct address is reflected in their Depository Participant (DP) records and inform DP of any changes as and when relevant.
- g. Pursuant to Section 205C of the Companies Act, 1956, all unclaimed dividends upto and inclusive of the financial year 2008-09 (YE March 31, 2009) have been transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government.
- h. Shareholders who have not encashed any of their dividend warrants from the year 2008-09 onwards are requested to submit their claims to the Company Secretary at the Registered Office of the Company giving due details such as shareholder folio, /DP account no, and details for which year dividend is not received, and bank account details to be printed on the warrant.
- i. Nomination facility is now available for the shareholders. Members holding shares in physical format may obtain nomination forms from the Registrar & Share Transfer Agent and send the nomination form back duly filled up and signed. Members holding shares in demat form may kindly send their nominations to their Depository Participant (DP) only in the format specified by their DP which will be for all their holdings in a client account.

Attendance slip and proxy form are enclosed.

VOTING THROUGH ELECTRONICS MEANS

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company is pleased to provide e-Voting facility for its members to enable them to cast their votes electronically. The company has availed the e-Voting services as provided by National Securities Depository Limited.(NSDL). The Company has appointed Mr. V.S.Sowrirajan, Practising Company Secretary as scrutinizer for conducting the e-Voting process in a fair and transparent manner. The instructions for e-Voting are detailed hereunder:

The voting right of shareholders shall be in proportion to their share in the paid up equity share capital of the Company as on the cut-off date being 21st September 2017. The instructions for Shareholders for e-Voting are as under:

- A) In case of Shareholders' receiving e-mail from NSDL(for members whose email IDs are registered with the Company/ Depository participants):
 - (i) Open e-mail and open PDF file viz; "California Software Company Limited e-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>
 - (iii) Click on "Shareholder - Login".
 - (iv) Insert user ID and password as initial password noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (vi) Home page of e-Voting opens. Click on e-Voting: Active Evoting Cycles.
- (vii) Select "EVEN" of California Software Company Limited.
- (viii) Now you are ready for e-Voting as Cast Vote page opens.
- (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) For the votes to be considered valid, the institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority Letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail at jitendrak@calsoftgroup.com with a copy marked to evoting@nsdl.co.in

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

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

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

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

(C) Other instructions

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

- (ii) If you are already registered with NSDL for e-voting then you can use your existing user ID and password for casting your vote.
- (iii) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- (iv) The e-Voting period commences on Monday, the 25th September 2017 (10:00 am) and ends on Wednesday, the 27th September 2017 (5:00 pm). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 21st September 2017, may cast their vote electronically. The e-Voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it.
- (v) The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-Voting period / unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- (vi) The Results shall be declared on or after the Annual General Meeting of the Company and shall be deemed to be passed on the date of Annual General Meeting. The results alongwith the Scrutinizer's Report shall be placed on the website of the Company www.calsoftgroup.com within 2 days of passing of the resolutions at the Annual General Meeting of the Company and shall be communicated to BSE Limited and National Stock Exchange of India Limited.

- 6. All documents referred to in the accompanying Notice and the Explanatory Statements are open for inspection at the Registered Office of the Company between 10.00 A.M. and 1.00 P.M. on working days up to 28th September 2017.
- 7. Affixing statement under Section 102 (2) of the Companies Act, 2013 is not applicable, since no 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	Mrs. VIJYAPRIYA NARAYANAN
Director Identification Number (DIN)	07172794
Date of Birth	06/10/1976
Nationality	INDIAN
Date of Appointment on Board	30/04/2015
Qualification	CHARTERED ACCOUNTANT
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

By order of the Board
For California Software Company Limited

Chennai
14th August 2017

Jitendra Kumar Pal
Company Secretary

DIRECTORS REPORT

Dear Shareholders,

Your Directors presenting their Report on the Business & Operations of your Company and its working results for the year 2016-17.

1. FINANCIAL RESULTS

All figures in ₹ Crores except for EPS

Details	Consolidated		Standalone	
	Year ended 31-Mar-17	Year ended 31-Mar-16	Year ended 31-Mar-17	Year ended 31-Mar-16
Total Revenues	0.02	3.68	0.02	3.68
Total Expenses	(1.73)	5.02	(1.72)	5.02
Profit before exceptional and extra-ordinary items and tax	1.74	(1.34)	1.74	(1.34)
Exceptional items	0.00	0.00	–	–
Profit before extraordinary items and tax	1.74	(1.17)	1.74	(1.17)
Profit before Tax	1.74	(1.17)	1.74	(1.17)
Current Tax	0.00	0.00	–	–
Deferred Tax	0.00	0.00	–	–
Profit / (Loss) for the year	1.74	(1.17)	1.74	(1.17)
Minority Interest			0	0
paid up equity capital	12.36	12.36	12.36	12.36
Earning per share (EPS) for the year (Rs)				
i) Basic	1.41	(1.05)	1.41	(1.05)
ii) Diluted	1.41	(1.05)	1.41	(1.05)

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

2. DIVIDEND

The Company have accumulated negative reserves as at the year end. Hence, no dividend could be declared for the financial 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 ₹ 1.74 Crores as against a loss of ₹ (1.17) Crores of the previous year.

3. BUSINESS UPDATE AND OUTLOOK

With the cessation of the company's businesses in 2011 which were incurring heavy losses and the disposal of RVC Towers, the Company has cleared major problems which affected the liquidity of the Company. We are grateful to the Company's major shareholder for standing by the Company and consistently providing management and financial support in order to allow this process to take place in an orderly manner.

The Board of Directors continue to look for a potential investor who can inject additional funds and take the company to the growth path.

II - Standalone Results

During the year, your Company on a standalone basis earned total revenue of ₹ 0.02 Crores as against ₹ 3.68 Crores earned during the previous year. The profit before tax during the year is ₹ 1.73 Crores as against ₹ (1.30) Crores of the previous year.

After taking into account the tax provisions and adjustments, the profit for the year was ₹ 1.74 Crores as against a loss of ₹ (1.30) Crores for the previous year.

RESULTS OF OPERATIONS**I - Consolidated Results**

During the year, your Company on a consolidated basis with all its subsidiaries earned total revenue of ₹ 0.02 Crores as against ₹ 3.68 Crores earned during the previous year. The profit before tax during the year is Rs. 1.74 Crores as against Rs. (1.17) Crores for the previous year.

4. REVIEW OF SUBSIDIARIES**I - Aspire Communications Private Ltd**

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

Aspire on a consolidated basis has reported revenues of ₹ 97,565/- with profit of ₹ 95,583/- against the consolidated reported revenues of ₹ 6244 with a profit of ₹ 12,83,604/- of the previous year.

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

5. CONSOLIDATED RESULTS PUBLICATION

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

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

6. DIRECTORS

Mr. T R Ramasamy resigned as director with effect from 12th August 2016. Mr. Vasudevan Mahalingam has been appointed as additional director with effect from 12th August 2016.

7. AUDIT RELATED MATTERS

7.1. Audit Committee

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

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

7.2. Statutory Auditors

M/s. N.Balasubramanian Associates, Chartered Accountants, Chennai was re-appointed as Statutory Auditors of the Company at the Annual General Meeting held on 28th September 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.

7.3. Qualifications in Auditors Report

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

- Note 26 and 27 in the stand alone financial statements which indicate that the Standalone Company has accumulated losses and its net worth has been fully eroded, the Standalone Company has incurred a net loss during the current and previous year(s) and, the Stand alone Company's current liabilities exceeded its current assets as at the balance sheet date. These conditions, along with other matters set forth in Note

26, indicate the existence of a material uncertainty that may cast significant doubt about the Stand alone Company's ability to continue as a going concern.

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

- Note no. 31 to the standalone financial statement regarding unsecured loans from Associate companies amounting to ₹ 35,10,79,977/-.

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

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

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

7.4. Secretarial Audit

M/s.V.S.Sowrirajan & Associates, Company Secretaries-in-Practice were appointed as Secretarial Auditor for the financial year 2016-17. The Secretarial Audit Report in Form No.MR.3 issued by the Secretarial Auditor forms part of the Annual Report as Annexure 1 to the Board's report.

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

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

7.5. Cost Audit

The Company is not required to conduct cost audit.

7.6. Internal Financial Controls

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

8. POLICY MATTERS

8.1. Nomination and Remuneration Policy

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

The Board affirms that the remuneration paid during financial year 2016-17 to the Employees and Key Managerial Personnel was as per the Remuneration policy of the Company.

8.2. Risk Management Framework

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

8.3. Corporate Social Responsibility Policy

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

8.4. Vigil Mechanism

In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and the provision of Section 177(9) read with Rule of the Companies (Meeting of Board and its Powers) Rules 2014 the company has duly established a vigil mechanism for stakeholders, directors and employees to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy. The Audit Committee of the Company 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>.

9. OTHER MATTERS

9.1. Debentures

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

9.2. Bonus Shares

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

9.3. Deposits

The Company has not accepted any deposits in terms of Chapter V of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014, during

the year under review and as such, no amount on account of principal or interest on public deposits was outstanding as of the balance sheet date.

9.4. Transfer to Investor Education and Protection Fund

In compliance of Section 125 of the Companies Act, 2013, the dividends pertaining to the financial year 2007-2008 which were lying unclaimed with the Company was transferred to the Investor Education and Protection Fund during the financial year 2015- 16. The Company has not declared any dividend for the year 2008-09, hence there is no requirement of transfer to Investor Education and Protection Fund.

9.5. Human Resources

The Company has only one Employee.

Disclosure containing the names and other particulars of employees in accordance with the Provisions of Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is not applicable since the company has only one employee and none of the directors are drawing any remuneration from the company.

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

Employee relations continue to be cordial and harmonious at all levels and in all divisions of the Company. The Board of Directors would like to express their sincere appreciation to all the employees for their continued hard work and steadfast dedication. The Company has only one Employee.

9.6. Corporate Governance

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

9.7. Code of Conduct

In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and Companies Act, 2013 the Company has laid down a Code of Conduct (Code) for all the Board Members and Senior Management Personnel of the Company. The Code is also posted on the Website of the Company www.calsoftgroup.com. All Board Members and Senior Management Personnel have affirmed their compliance with the Code for the financial year ended 31st March, 2017. A declaration to this effect signed by Mr. Fredrick Ivor Bendle, Managing Director forms part of the Corporate Governance Report.

9.8. Management Discussion and Analysis Report

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

9.9. Extract of Annual Return

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

9.10. Number of Board Meetings

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

9.11. Particulars of Loans, Guarantees and Investments

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

9.12. Related Party Transactions

During the year, the Company has not entered into any contract / arrangement / transaction with a related party which can be considered as material in terms of the policy on related party transactions laid down by the Board of Directors. The related party transactions undertaken during the financial year 2016-17 are detailed in Notes to Accounts of the Financial Statements.

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

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

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

	(₹ in Crores)	
	2016-17	2015-16
Foreign Exchange Earnings	Nil	Nil
Foreign Exchange Outgo (including Capital Goods and Imported Software Packages)	Nil	Nil

9.14. Declaration by Independent Directors

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

9.15. Board Evaluation

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

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

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

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

As on 31st March 2017, the company has only one subsidiary company namely Aspire Communications Private Limited. There has been no material change in the nature of the business of the subsidiaries. The consolidated financial statement has been prepared in accordance with the relevant accounting standards and a separate statement containing the salient features of the financial statement of its subsidiaries and associate in form AOC-1 is attached along with the financial statement of the company.

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

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

9.18. Green initiatives

Electronic copies of the Annual Report 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 2017 and the Notice of the Twenty fifth Annual General Meeting are sent in the permitted mode. Members requiring physical copies can send a request to the Company.

9.19. Additional Information to Shareholders

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

10 DIRECTORS' RESPONSIBILITY STATEMENT

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

Your Directors confirm the following that:

- (i) In preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period;
- (iii) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) The directors had prepared the annual accounts on a going concern basis.
- (v) Proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- (vi) Proper systems were in place so as to ensure compliance with the provisions of all applicable laws and were adequate and operating effectively.

11 Key Managerial Personnel

The Key Managerial Personnel of the Company are:

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

12 Transfer of Share

The Board takes on record transfer of 28,86,937 shares dated 03rd August 2017 between Kemoil Limited and Mr. Vinayak Gopalkrishna Kudva as a result of share purchase agreement between them.

ACKNOWLEDGEMENT

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

For and on behalf of the Board of Directors

Chennai
14th August, 2017

Fredrick Ivor Bendle
Managing Director & CEO

Dr. P J George
Director

MR - 3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

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

To:

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

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31 March 2017 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (No actions/events requiring compliance pursuant to this Regulations)
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992
 - (c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 {applicable with effect from 1st December 2015}
 - (d) Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28 October 2014; (No actions/events requiring compliance pursuant to this Regulations)
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (No actions/events requiring compliance pursuant to this Regulations)
 - (f) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during audit period)
 - (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 (No actions/events requiring compliance pursuant to this Regulation)
 - (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2002 (No actions/events requiring compliance pursuant to this Regulation)
 - (j) Other laws applicable to the company (as per the information made available, the following laws are specifically applicable to the company)
 - Information Technology Act, 2000 and the Rules made thereunder
 - Copyrights Act,
 - The Patents Act, 1970
 - Trade Marks Act, 1999

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Stock Exchanges.

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

We further report that

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

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

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

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period there were no other specific actions/events, in pursuance of above referred laws, rules, regulations, guidelines etc having a major bearing on the company's affairs.

V.S.SOWRIRAJAN

Place : Chennai
Date : 14th August, 2017

Company Secretary
FCS 2368/CP6482

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

LIST OF FORMS YET TO BE FILED AND COMPLAINE DEFICIENCIES

Sl. No.	Subject Matter	Date of Event	Form yet to be filed	Remarks
1	Return of Appointment of Key Managerial Personnel	15 th November 2014	Form No.DIR.12 and Form No.MR.1	Yet to be filed
2	Appointment of Managing Director	8 th August 2014	Form No.MR. 2 - Application to Central Government for approval of appointment Form No.MGT.14- Filing of Resolution for appointment of Managing Director	Yet to be filed
3	Return of Changes in shareholding pattern of promoters and top ten shareholders	Various Dates	Form MGT,10	Yet to be filed. Non-compliance in respect of filing of form within 15 days of change.
4	Publication of Unaudited Financial Results	Quarterly Results for all four quarters of the Financial Year 2016-17	-	Not Published. Intimations to Stock Exchanges have been duly given and the results are posted on the website.

ANNEXURE - A

To:

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

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide are as on able 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 procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

V.S.SOWRIRAJAN

Place : Chennai
Date : 14th August, 2017

Company Secretary
FCS 2368/CP6482



Realize Your Ideas

CALIFORNIA SOFTWARE COMPANY LIMITED

CIN - L72300TN1992PLC022135

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

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

2. Scope of Application:

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

3. Policy Statement:

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

4. Review of the Policy:

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

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

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

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

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

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

2. Definitions:

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

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

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

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

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

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

3. Composition of the Committee:

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

4. Role of the Committee:

The Committee shall:

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

5. Appointment and removal of Director, KMP and Senior Management:

5.1 Appointment criteria and qualification:

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

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

5.2 Term:

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

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

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

Evaluation:

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

5.4 Removal:

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

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

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

7. Remuneration to Non-executive / Independent Director:

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

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

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

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

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

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

The meeting shall:

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

Annexure C**Familiarisation Programme for Independent Directors**

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

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

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

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

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	Robert V Chandran Tower, 7 th Floor, No.149, Velachery Tambaram Main Road, Pallikaranai, Chennai-600010 Telephone Nos. +91- 44-42829000 Email for shareholders: investor@calsoftgroup.com Website: www.calsoftgroup.com
vi)	Whether listed company	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s.Integrated Registry Management Services Private Limited, 2 nd Floor, Kencees Towers, 1,Ramakrishna Street, North Usman Road, T. Nagar, Chennai-600017 Phone:044-2814 0801-03, Fax: 044- 2814 2479 email: yuvraj@integratedindia.in
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	No business operation
III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES		
		Holding Company - Kemoil Limited, Singapore Subsidiary Company: 1. Aspire Communications Private Limited
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 / WD	Rs. 1,161,559/-
VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES - NIL		

i) Category-wise Shareholding Pattern

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoters									
1. Indian									
a. Individual/ HUF	-	-	-	-	-	-	-	-	-
b. Central Govt.	-	-	-	-	-	-	-	-	-
c. StateGovt(s)	-	-	-	-	-	-	-	-	-
d. Bodies Corporate	-	-	-	-	-	-	-	-	-
e. Banks / FI	-	-	-	-	-	-	-	-	-
f. Any Other due	-	-	-	-	-	-	-	-	-
Sub-Total (A)(1):	-	-	-	-	-	-	-	-	-
2. Foreign									
a. Individual (Non-Resident/Foreign)	-	-	-	-	-	-	-	-	-
b. Bodies Corporate	8743911	-	8743911	70.71	8743911	-	8743911	70.71	-
c. Institutions	-	-	-	-	-	-	-	-	-
d. Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
e. Any Other (specify)	-	-	-	-	-	-	-	-	-
Sub-Total(A)(2):	8743911	-	8743911	70.71	8743911	-	8743911	70.71	-
Total Shareholding of Promoters(A) = (A)(1) + (A)(2)	8743911	-	8743911	70.71	8743911	-	8743911	70.71	-
B. Public Shareholding									
1. Institutions	-	-	-	-	-	-	-	-	-
a. Mutual Funds / UTI	-	300	300	-	-	300	300	-	-
b. Banks / FI	-	-	-	-	-	-	-	-	-
c. Central Govt.	-	-	-	-	-	-	-	-	-
d. State Govt. (s)	-	-	-	-	-	-	-	-	-
e. Venture Capital Funds	-	-	-	-	-	-	-	-	-
f. Insurance Companies	-	-	-	-	-	-	-	-	-
g. FIs	-	-	-	-	-	-	-	-	-
h. Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i. Others (Specify)	-	-	-	-	-	-	-	-	-
Sub-Total (B)(1):	-	300	300	-	-	300	300	-	-
2. Non-Institutions									
a. Bodies Corporate (Indian/Foreign/Overseas)	553964	100	554064	4.48	545012	100	545112	4.41	(0.07)
b. Individuals (Resident/NRI/Foreign National)									
i) Individual shareholders holding nominal share capital upto Rs.1 lakh	1277408	98549	1375957	11.13	1294926	98549	1393475	11.27	0.14
ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	1664856	19931	1684787	13.63	1653690	19931	1673621	13.54	(0.09)
c. Others (specify)									
Clearing Member	220	0	220	0.00	22	0	22	0.00	(0.00)
Corporate CM / TM - Client Margin A/c.	4194	0	4194	0.03	8465	0	8465	0.07	0.03
Corporate CM / TM - Client Beneficiary A/c.	703	0	703	0.01	0	0	0	0.00	(0.01)
Individual - Margin Trading Account	770	0	770	0.01	0	0	0	0.00	(0.01)
Trusts	100	0	100	0.00	100	0	100	0.00	0.00
Sub-Total (B)(2)	3502215	118580	3620795	29.28	3502215	118580	3620795	29.28	0.00
Total Public Share Holding (B)=B(1)+B(2)	3502215	118880	3621095	29.29	3502215	118880	3621095	29.29	0.00
TOTAL (A)+(B)	12246126	118880	12365006	100.00	12246126	118880	12365006	100.00	0.00
C Shares held by Custodians and against which Depository Receipts have been issued									
GRAND TOTAL (A)+(B)+(C)	12246126	118880	12365006	100.00	12246126	118880	12365006	100.00	0.00

ii) Shareholding of Promoters

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

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

Annexure - C

	Opening Balance		Increase / Decrease		Closing Balance	
	Shares	%	Shares	%	Shares	%
KEMOIL LTD						
Opening Balance as on 01-04-2016	8743911	70.71				
Closing Balance as on 31-03-2017					8743911	70.71
	8743911	70.71	0	0	8743911	70.71

Annexure - D

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

S. No.	Name	Opening Balance		Increase / Decrease		Closing Balance	
		Shares	%	Shares	%	Shares	%
1	Chemol Advances Management Services Pvt Ltd.						
	Opening Balance as on 01-04-2016	449178	3.63				
	Closing Balance as on 31-03-2017					449178	3.63
2	Santhosh S						
	Opening Balance as on 01-04-2016	336743	2.72				
	Closing Balance as on 31-03-2017					336743	2.72
3	Jayasrees						
	Opening Balance as on 01-04-2016	175163	1.42				
	Closing Balance as on 31-03-2017					175163	1.42
4	Nandini J Nathani						
	Opening Balance as on 01-04-2016	164800	1.33				
	Closing Balance as on 31-03-2017					164800	1.33
5	Adil Nathani						
	Opening Balance as on 01-04-2016	163400	1.32				
	Closing Balance as on 31-03-2017					163400	1.32
6	Ravindra Krishnappa						
	Opening Balance as on 01-04-2016	126867	1.03				
	30-06-2016			-5255	-0.04	121612	0.98
	08-07-2016			-1002	-0.01	120610	0.98
	Closing Balance as on 31-03-2017					120610	0.98
7	George P J						
	Opening Balance as on 01-04-2016	120000	0.97				
	Closing Balance as on 31-03-2017					120000	0.97

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

S. No.	Name	Opening Balance		Increase / Decrease		Closing Balance	
		Shares	%	Shares	%	Shares	%
8	Gunjan Chhajaj						
	Opening Balance as on 01-04-2016	57501	0.47				
	Closing Balance as on 31-03-2017					57501	0.47
9	Sunil Kumar Chhajaj						
	Opening Balance as on 01-04-2016	57500	0.47				
	Closing Balance as on 31-03-2017					57500	0.47
10	George Francis						
	Opening Balance as on 01-04-2016	56310	0.46				
	Closing Balance as on 31-03-2017					56310	0.46
11	Pace Stock BrokingServices Pvt. Ltd						
	Opening Balance as on 01-04-2016	48367	0.39				
	15-07-2016			1983	0.02	50350	0.41
	09-09-2016			-1500	-0.01	48850	0.40
	30-09-2016			1112	0.01	49962	0.40
	30-12-2016			-1200	-0.01	48762	0.39
	03-02-2017			-395	-0.00	48367	0.39
	Closing Balance as on 31-03-2017					48367	0.39
12	Mita Dipak Shah						
	Opening Balance as on 01-04-2016	44771	0.36				
	05-08-2016			229	0.00	45000	0.36
	12-08-2016			-229	-0.00	44771	0.36
	Closing Balance as on 31-03-2017					44771	0.36
13	Krishnan Unni V B						
	Opening Balance as on 01-04-2016	40000	0.32				
	30-12-2016			-400	-0.00	39600	0.32
	20-01-2017			-10738	-0.09	28862	0.23
	Closing Balance as on 31-03-2017					28862	0.23
14	Ambili S						
	Opening Balance as on 01-04-2016	36890	0.30				
	Closing Balance as on 31-03-2017					36890	0.30
15	Diwakar Kaiwar						
	Opening Balance as on 01-04-2016	30000	0.24				
	Closing Balance as on 31-03-2017					30000	0.24

v) Shareholding of Directors and Key Managerial Personnel

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

V INDEBTEDNESS

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness ₹
Indebtedness at the beginning of the financial year	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 financial year				
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 year	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

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

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

B. Remuneration of other Directors

C. 1. Independent Directors

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

2. Other Non Executive Directors

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

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

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

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES :

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

RELATED PARTY TRANSACTION**ANNEXURE - IV****Form No AOC-2**

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

Form for Disclosure of particulars of contracts/arrangements “entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

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

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

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

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

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

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

Statement containing salient features of the financial statement of subsidiaries

Part 'A' : Subsidiaries

(in ₹)

SI.No.	Particulars	Details
1	Name of the subsidiary	Aspire Communications Private Ltd
2	Reporting period for the subsidiary concerned, if different from the holding company’s reporting period	01 st April 2016 to 31 st March 2017
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, 2017, as stipulated in chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with stock exchange(s).

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

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

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

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

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

Chennai
14th August 2017

N. Balasubramanian
Partner, Membership No.023445

CORPORATE GOVERNANCE

1 Company's philosophy on code of governance:

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

2. Board of Directors:

a) Composition and category of Directors as on March 31, 2017

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

b) Composition of the Board, and Directorships held as on 31st March 2017.

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

Name of the Director	Designation	No. of Board meetings in the year during respective tenure of directors		Attendance of Last AGM	No. of directorships held in the other companies	No. of board committee membership a held in other companies
		Held	attended			
Mr. Fredrick Ivor Bendle	Managing Director & CEO	05	05	No	Nil	Nil
Dr. P.J. George	Non-Executive Independent Director	05	05	Yes	Nil	Nil
Mr.T.R.Ramasamy (till 12 th August 2016)	Non-Executive Independent Director	03	03	N.A.	Nil	Nil
Ms.Vijayapriya	Non Executive, Non- Independent and Woman Director	05	04	No	Nil	Nil
Mr. Vasudevan Mahalingam (from 12 th August 2016)	Non Executive, Independent Director	03	03	Yes	Nil	Nil

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

No. of meetings	Dates on which hold
05	26 th April 2016, 13 th June 2016, 12 th August 2016, 14 th November 2016 and 14 th February 2017

d) Details of Shareholding of Directors as on March 31, 2017

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

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

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

4. Limit and tenure of Independent Directorships:

As per the declaration furnished by the Independent Director as on 31st March 2017 none of the Independent Director is/are serving as an independent director of more than seven listed companies and none of the independent director of the company presently serving as a whole time director in any listed company.

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

5. Letter of appointment to Independent Directors:

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

6. Performance evaluation of Independent Directors:

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

The performance evaluation of independent directors has been done by the entire Board of Directors (excluding the director being evaluated) at their meeting held on 14th February 2017.

7. Separate meetings of the Independent Directors:

In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and the provision of schedule IV of the Companies Act, 2013 and the rules made there under, the independent Directors of the Company shall hold at least one meeting in a year without the attendance of non-independent directors and members of management. All the independent directors of the company shall strive to be present at such meeting. The independent Directors at their meeting held on 29th March 2017 inter alia reviewed the following:

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

All the independent Directors were present at the meeting.

8. Availability of Information to the Board Members

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

9. Training of Independent Directors:

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

10. Stock Option

The Company has no Employee Stock Option Scheme.

11. Review of Compliances Report:

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

12. Replacement of Independent Directors removed or resigned:

During the year under review, Mr. T R Ramasamy resigned as independent director with effect from 12th August 2016.

13. Succession Plan

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

14. Familiarisation Programmes

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

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

15. Audit Committee

a) Brief description of terms of reference:

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

b) **Composition of the Committee:**

The current composition is:

- 1) Mr. Vasudevan Mahalingam, Chairman (wef 12th August 2016)
- 2) Mr. T R Ramasamy, Chairman (upto 12th August 2016)
- 3) Dr P J George, Member
- 4) Mrs. Vijayapriya

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

The Committee held five meetings, on 26th April 2016, 13th June 2016, 12th August 2016, 14th November 2016 and 14th February 2017. The statutory auditors of the Company were also invited to attend the Audit Committee meetings.

16. Nomination, Remuneration and Governance Committee

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

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

b) **Composition of the Committee:**

The Committee consist of three Directors

- 1) Dr P J George, Chairman
- 2) Mr. Vasudevan Mahalingam
- 3) Ms. Vijayapriya

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

One Meeting was held on 14th November 2016.

d) **Remuneration Policy:**

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

e) Details of remuneration paid to Directors during the year 2016-2017:

in ₹

Sl. No	Name	Designation	Salary	Performance Incentive	Commission	Total	Notice Period	Severance fee	No. of Options	Remarks
1	Frederick Ivor Bendle	Managing Director	-	-	-	-	1 month	-	-	-
2	Dr. P J George	Director	-	-	-	-	-	-	-	-
3	T R Ramasamy	Director	-	-	-	-	-	-	-	-
4	Vasudevan Mahalingam	Manging Director-	-	-	-	-	-	-	-	-
5	Vijayapriya	Director	-	-	-	-	-	-	-	-

17. Stakeholder Relationship Committee:

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

1. Dr. P J George, Chairman
2. Mr. Fredrick Ivor Bendle, Member
3. Mr. Vasudevan Mahalingam, Member

Dr.P.J.George, Chairman of the Stake Holders Relationship Committee was present at the Annual General Meeting held on 28th September 2016. The Stakeholders Relationship Committee of the Board of Directors deals with stakeholder relations and security holders grievances including matters related to transfer, split, consolidation, dematerialisation and re-materialisation of shares. non-receipt of annual report, non-receipt of declared dividend and such other issues as may be raised by the investors from time to time. It ensures that investor grievances / complaints / queries are redressed in a timely and effective manner and to the satisfaction of investors. The Committee oversees the performance of the Registrar and Share Transfer Agents of the Company relating to investor services and recommends measures for improvement.

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

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

18. Risk Management Committee

In compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 the company during Financial year 2016-17, through its Board of Directors duly constituted a Risk Management Committee. The committee had duly laid down the procedures to inform Board members about the risk assessment and minimization procedures. The roles and responsibilities of the Risk Management Committee is defined in the risk management policy which can be accessed at the website www.calssoftgroup.com

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

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

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

Meetings

The quorum for the meeting shall be any two members present at the meeting. The quorum for the meeting shall be any two members present at the meeting. During the financial year 2016-17, the Committee met on 29th March 2017.

Name of the Director	No. of meetings	
	Held	Attended
Dr P J George	1	1
Mr. Vasudevan Mahalingam	1	1

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

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

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

19.2- Subsidiary Monitoring Framework

As on 31st March 2017, the company has only one subsidiary viz., Aspire Communications Private Limited. The Company monitors performance of subsidiary companies inter alia, by the following means;

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

20. Code of Conduct

In compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and companies Act, 2013 the Company has laid down a Code of Conduct (Code) for all the Board Members and Senior Management Personnel of the Company. The Code is also posted on the Website of the Company www.calssoftgroup.com. All Board Members and Senior Management Personnel have affirmed their compliance with the Code for the financial year ended 31st March, 2017. A declaration to this effect signed by Fredrick Ivor Bendle, Managing Director and Chief Executive Officer, of the Company forms part of this report.

Confirmation of the Code of Conduct by Chief Executive Officer

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

I confirm that the Company has, in respect of the financial year ended March 31, 2017, received from the senior management personnel of the Company and the members of the Board, a declaration of compliance with the Code of Conduct as applicable to them.

Name : Fredrick Ivor Bendle
 Designation : Managing Director and Chief Executive Officer
 Place : Chennai
 Date : 14th August 2017

21. Code of Conduct for Prevention of Insider Trading

The Company has adopted code of conduct for prevention of Insider trading as per SEBI (Prohibition of Insider Trading) Regulations 2015. The new code is displayed in the company's web site.

22. Vigil Mechanism/ Whistle Blower Policy:

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

23. Compliances

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

24. Management Discussion and Analysis Report

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

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

25. CEO / CFO Certificate

The Managing Director of the Company has issued a certificate pursuant to the provision of Regulation 17(8) in terms of Schedule II part B of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and the same was taken on record by the Board at its meeting held on 29th May 2017.

26. Remuneration to Statutory Auditors

During the financial year 2016-2017, the details of the fees paid to the Statutory Auditors of the Company are as follows:

	(in ₹)
Audit fees [includes fees for quarterly reviews]	8,57,802

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

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

This Corporate Governance Report of the Company for the year 2016-17 is in compliance with the requirements of Corporate Governance under of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with BSE Limited and National Stock Exchange of India Limited or SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

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

28.2 - Shareholders Rights

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

28.3 - Audit Qualifications

The audited financial statements of the Company for the financial year 2016-2017 contains some qualificatory remarks which have been duly replied in the Board's Report. The Secretarial Audit Report do not contain any qualifications and the Audit Report does not contain any adverse remarks.

28.4 - Separate posts of Chairman and CEO

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

28.5 - Reporting of Internal Auditor

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

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

Year	Date	Venue	Time
2013-14	27 th November 2014	Robert V Chandran Tower, 149, Velacherry Tambaram Main Road, Pallikarnai, Chennai - 600 100	11.00 a.m
2014-15	19 th August 2015	Robert V Chandran Tower, 149, Velacherry Tambaram Main Road, Pallikarnai, Chennai - 600 100	10.00 a.m
2015-16	28 th September 2016	Robert V Chandran Tower, 149, Velacherry Tambaram Main Road, Pallikarnai, Chennai - 600 100	9.30 a.m

Special resolutions passed in the previous three AGM

2013-14 - Nil

2014-15 Nil

2015-16- one special resolution was passed

There was one Extraordinary General Meeting held on 25th May 2016 for change of statutory auditors.

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

No postal ballot was conducted during the year.

30. Disclosures:

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

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

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

NIL

31. Means of Communication:

Quarterly results / other information

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

32. General Shareholder Information

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

33. Disclosure of Accounting Treatment

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

34. Disclosure to the shareholders

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

35. COMPLIANCE OFFICER

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

36. Recommendation of Dividend and Dividend Payment Date

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

37. GENERAL SHAREHOLDER'S INFORMATION

Financial calendar (Tentative)

Financial Year	April 01, 2016 to March 31, 2017
Calendar of Board meetings for the financial year (Tentative and subject to change)	
First Quarter Result	2 nd week of August
Second Quarter Result	2 nd week of November
Third Quarter Result	2 nd week of February
Fourth Quarter Result	4 th week of May
Date of Book Closure	22 nd September 2017 to 28 th September 2017
Annual General Meeting	
Date	28 th September 2017
Day	Thursday
Time	10.00 a.m.
Venue	Temple Steps, Block I, 3rd Floor, 184-187, Anna Salai, Little Mount, Saidapet, Chennai - 600 015
Dividend Payment Date	Not Applicable
Stock code	532386 BSE Calsoft - NSE
Listing at	The Company's securities are listed with BSE Limited, Mumbai and NSE and it has paid the respective annual listing fees up-to-date and there are no arrears.
	There is no share of the company which remains unclaimed and lying in the escrow account.
Demat ISIN	INE526B01014
Listing fee	Annual listing fee for the year 2016 - 2017 has been duly paid to the exchange
Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity	As on March 31, 2017 the Company does not have any Outstanding GDRs/ADRs/Warrants or any Convertible instruments,
Reconciliation of Share Capital Audit	In terms of Regulation 55A of the SEBI (Depositories and Participants) Regulations, 1996, reconciliation of Share Capital Audit is conducted every quarter by Mr. P. Krishna Kumar Company Secretaries reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital and the report is forwarded to the Stock Exchanges where the shares of the Company are listed.
Custodial Fees	The Company has paid custodial fees for the year 2016-17 to NSDL and CDSL on the basis of the number of beneficial accounts maintained by them. The custodial fees for the year 2017-18 to NSDL and CDSL will be paid upon demand.
Proceeds from public / rights / preferential issues, etc.,	The Company does not have any unutilized money raised through Public / Rights / Preferential Issues, etc.

38. STOCK PRICE MOVEMENT

Month	National Stock Exchange (NSE)		BSE	
	High	Low	High	Low
Apr-16	10.40	6.60	11.25	8.12
May-16	10.80	6.90	10.97	7.90
Jun-16	7.85	6.25	8.70	6.37
Jul-16	8.00	6.80	8.64	6.94
Aug-16	8.00	7.20	8.26	5.52
Sep-16	8.40	7.90	7.82	6.50
Oct-16	7.85	6.30	7.35	5.77
Nov-16	6.20	5.30	7.63	5.75
Dec-16	6.15	5.10	9.52	5.50
Jan-17	8.20	5.95	9.93	7.90
Feb-17	8.05	7.30	9.03	7.61
Mar-17	8.10	7.30	9.37	7.23

39. INSIDER TRADING

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

40. DEMATERIALISATION OF SHARES AND LIQUIDITY

The Equity shares of the company are made available for Dematerialisation under depository system operated by the Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL). The shares of your company are under Compulsory Demat settlement mode and can be traded only in the demat form. Shares Dematerialised up to March 31, 2017 are as under:

S. No.	Particulars	No. of Shares	% of total issued capital
1	Listed Capital	12365006	100
2	Held in Dematerialisation form - NSDL	11774246	95.22
3	Held in Dematerialisation form - CDSL	471880	3.82
4	Physical shares	118880	0.96

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

41. REGISTRAR AND SHARE TRANSFER AGENTS (RTA)

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

M/s. Integrated Registry Management Services Private Limited
2nd Floor, Kencees Towers,
1, Ramakrishna Street, North Usman Road,
T Nagar, Chennai-600017
Phone No.044-28140801 to 28140803,
Email: corpseerv@integratedindia

42. SHARE TRANSFER SYSTEM

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

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

43. DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2017

No. of Shares held	No. of Holders	% of Shareholders	Total No. of Shares	% of Equity Shareholding
Upto 500	2962	83.34	351240	2.84
501-1000	276	7.77	223012	1.80
1001-2000	139	3.91	208416	1.69
2001-3000	53	1.49	133701	1.08
3001-4000	16	0.45	57762	0.47
4001-5000	23	0.65	107845	0.87
5001-10000	49	1.38	368867	2.98
10000 and above	36	1.01	10914163	88.27
	3554	100.00	12365006	100.00

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

44. CATEGORIES OF SHAREHOLDINGS AS ON MARCH 31, 2017

S.No.	Category of Shareholders	No. of Shares held	Percentage of holdings
1	Promoters	8743911	70.71
2	Institutions	300	0.00
2	Body Corporate	554064	4.48
3	Individual shareholders holding nominal share capital upto ₹ 1 lakh	1375957	11.13
4	Individual shareholders holding nominal share capital excess of ₹ 1 lakh	1684787	13.63
5	Clearing Members	5987	0.050
	Total	12365006	100

45. MAJOR SHAREHOLDERS

Details of shareholders holding more than 1% of the paid up capital of the company as on March 31, 2017 are given below:

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

46. CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

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

47. COMPANY REGISTRATION DETAILS

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

MANAGEMENT DISCUSSION AND ANALYSIS REPORT (MDA)

a. Industry structure and developments

Global Economy - Review and outlook

The World Economy tried to recover from prolonged slowness, two events completely overshadowed all other occurrences. Brexit and the victory of Donald Trump in the US elections are likely to set the tone for the Global Economy in the years to come.

As per the recent forecast by the International Monetary Fund (IMF), World growth is expected to rise to 3.5% in 2017 and 3.6% in 2018. Growth in the Middle East and North Africa is forecast to recover modestly, to 2.3% in 2017 and to 3.2% in 2018 with the recovery being strongest in the oil importing countries.

Amongst the emerging economies, China, though still continuing with policy support for business growth, initiated an economy "reset", moderating its high growth momentum, while the Indian Economy hit a speed-breaker in the second half of the fiscal year on account of demonetization of the Currency.

Indian Economy - Review and outlook

According to a recent World Bank Report, India's GDP is expected to be at 7.2% in FY 2017-18, up from 6.8% for the previous fiscal. They have also forecast that India's economic growth will rise to 7.7% in 2019-20, underpinned by a recovery in private investments.

The transition to the unified GST regime, scheduled to be rolled out in FY 17-18, is expected to have a favourable impact on the economy as it would pave way for seamless input credit and removal of a complex tax structure leading to economies of scale in production and efficiency in supply chain.

The year gone by was marked by two major domestic policy developments; passage of the Constitutional amendments, paving the way for implementing the transformational Goods and Services Tax (GST), and demonetization of the two highest denomination notes. Though there were near term pains on account of demonetization and foreseeable challenges in GST implementation, these policies are expected to have major positive impacts on the future economic growth of the country.

The Digital Revolution that is sweeping the IT and ITES services industry has brought immense opportunities: to grow organically, to achieve efficiency in operations and provide innovative digital solutions to global clients. However, like every revolution it has brought more Volatility, Uncertainty, Complexity and Ambiguity into the business environment which demands good risk management capabilities. Thus, Risk Management has become a critical capability for organizations to benefit from the opportunities provided by the Digital Revolution. In addition to providing strong assurance on protection and compliance, risk management capabilities enable companies to improve their strategic decision-making process and enhance the operational performance.

b. Opportunities and threats

The Company has stopped its business operation, therefore the company has not reported any opportunities and threats.

c. Segment wise performance

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.

d. Outlook

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

e. Risks and concerns

Risks that the Company faces are those which others in our Industry face. The Company monitors these risks consistently and periodically. Business risks faced by the Company include reduction in IT budgets of our customers, currency volatility, geo political risks as we operate across geographies, etc.

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

f. Internal control systems and their adequacy

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

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

g. Material development in Human Resources

As on March 31, 2017, only one employee is in the roles of the Company.

h. Financial and performance highlights (Consolidated)

- a. Revenues: Revenues for the year ended 31st March 2017 was ₹ 0.017 crores as compared to Rs.3.68 crores for the same period last year.
- b. Total Expenses : Total expenses for the year ended 31st March 2017 was ₹ (1.73) crores as compared to ₹ 5.02 crores for the previous year.
- c. Profit before exceptional and extra-ordinary items and Tax: ₹ 1.75 crores for the year ended 31st March 2017 as compared to ₹ (13.40) crores for the previous year.
- d. Exceptional items: It consists of prior period expenses and prior period depreciation due to change in depreciation policy for the year ending 31st March 2017 was Nil compare to ₹ (0.17) Crores for the previous year.
- e. Profit before extra- ordinary items and Tax: ₹ 1.75 crores for the year ended 31st March 2017 as compared to ₹ (1.17) crores for the previous year.
- f. Finance Costs: Interest and finance charges for the year ended 31st March 2017 is Nil as compared to ₹ 6.99 crores for the previous year.
- g. The Company has Paid up share capital of ₹ 12.36 Crores, comprising of 1,23,65,006 equity shares of ₹ 10 each
- h. Long term borrowing outstanding- Nil
- i. Fixed Assets (Tangible): There are no fixed assets as at 31st March 2017.

CONFIRMATION ON CODE OF CONDUCT

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

TO:

THE MEMBERS

CALIFORNIA SOFTWARE CO. LTD

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

FREDERICK IVOR BENDLE
Managing Director & CEO

Date: 14th August, 2017

CEO CERTIFICATION

I Frederick Ivor Bendle Managing Director and CEO certify that:

- a. I have reviewed financial statements and the cash flow statement for the year and that to the best of their knowledge and belief :
 - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. To the best of our knowledge and belief, no transactions entered into by the company during the year ended 31st March 2017 are fraudulent, illegal or violative of the company's code of conduct.
- c. I accept responsibility for establishing and maintaining internal controls for financial reporting and I have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which I am aware have been disclosed to the auditors and Audit Committee and the steps have been taken or proposed to take to rectify these deficiencies.
- d.
 - i) There has not been any significant change in internal control over financial reporting during the year under reference.
 - ii) There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements.
 - iii) I was not aware of any instance during the year of any significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

FREDERICK IVOR BENDLE
Managing Director & CEO

Place : Chennai

Date : 14th August, 2017

Consolidated Financial Statements

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

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

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements **CALIFORNIA SOFTWARE COMPANY LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at 31st March, 2017 the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

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

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2017, and their consolidated loss and their consolidated cash flows for the year ended on that date.

Emphasis of Matter

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

- Note 23 and 24, which indicate that the Holding Company has accumulated losses and its net worth has been fully eroded, the Holding Company has incurred a net loss during the current and previous years and, the Holding Company's current liabilities exceeded its current assets as at the balance sheet date. These conditions, along with other matters set forth in Note 23, indicate the existence of a material uncertainty that may cast significant doubt about the Holding Company's ability to continue as a going concern.
- Note no. 37 to the consolidated financial statement regarding unsecured loans from Associate companies amounting to ₹ 35,10,79,977/-
- Note no. 24 and 25 to the Holding Company's Indian subsidiary Aspire Communications P Ltd and its subsidiary Aspire peripherals P Ltd have stopped their operations fully.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, is not applicable to consolidated financial statements, we have not given our comments based on this order.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) Matters described in sub-paragraphs under the Emphasis of Matters paragraph above, in our opinion, may have an adverse effect on the functioning of the Company
 - (f) On the basis of the written representations received from the directors of the Holding Company, taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (g) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The Company has provided requisite disclosures in its consolidated financial statements as to holding as well as dealing in specified bank notes during the period from 8 November, 2016 to 30 December 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note 43 to the consolidated financial statements.

For and on behalf of

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

N. Balasubramanian
Partner
Membership No: 023445

Chennai
29th May 2017

ANNEXURE - A TO THE AUDITORS' REPORT

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 the Company as of and for the year ended 31 March 2017, we have audited the internal financial controls over financial reporting of CALIFORNIA SOFTWARE COMPANY LIMITED ("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 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 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 ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility:

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 Holding Company and its subsidiary companies, which are companies incorporated in India, have, 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 31 March 2017, 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 ICAI.

For and on behalf of
N. Balasubramanian Associates
 Chartered Accountants
F.No. 0355S

N. Balasubramanian
 Partner
 Membership No: 023445

Chennai
 29th May 2017

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2017

Particulars	Note No.	31.03.2017	31.03.2016
		₹	₹
I. EQUITY AND LIABILITIES			
1. Shareholders' funds			
(a) Share capital	1	123,650,060	123,650,060
(b) Reserve and surplus	2	(418,217,513)	(435,689,687)
(c) Money received against share warrants		-	-
Total		(294,567,453)	(312,039,627)
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	351,079,977	369,679,876
(b) Trade payables	5	2,658,286	2,563,538
(c) Other Current Liabilities	6	811,325	1,454,097
(d) Short-term provisions	7	240,758	240,758
Total		354,790,346	373,938,269
TOTAL		60,222,894	61,898,643
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	59,742,735	60,677,278
(e) Other non-current assets	11	-	-
Total		59,748,236	60,682,779
2. Current assets			
(a) Current investments		-	-
(b) Inventories		-	-
(c) Trade receivable	12	-	-
(d) Cash and cash equivalents	13	459,658	1,215,864
(e) Short-term loans and advances	14	-	-
(f) Other current assets	15	15,000	-
Total		474,658	1,215,864
TOTAL		60,222,894	61,898,643

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

As per our report of even date attached

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

N. BALASUBRAMANIAN
Partner Membership No. 023445

Chennai
29th May, 2017

FREDERICK IVOR BENDLE
Managing Director & CEO

VASUDEVAN MAHALINGAM
Director

Dr. P J GEORGE
Director

JITENDRA KUMAR PAL
Company Secretary

CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2017

Particulars	Note No.	31.03.2017	31.03.2016
		₹	₹
I. Revenue from operations	16	–	–
II. Other Income	17	171,589	36,811,192
III. Total Revenue (I+II)		171,589	36,811,192
IV. Expenses:			
Employee benefits expense	18	1,203,963	1,216,642
Operation and Other Expenses	19	(18,504,549)	(20,952,432)
Finance Costs	20	–	69,942,605
Depreciation & Amortization	21	–	–
Total Expenses		(17,300,586)	50,206,815
V. Profit before exceptional and extraordinary items and tax (III-IV)		17,472,175	(13,395,623)
VI Exceptional Items	22	–	(1,650,683)
VII Profit before extraordinary items and Tax (V-VI)		17,472,175	(11,744,940)
VIII Extraordinary items		0	0
IX Profit before Tax (VII-VIII)		17,472,175	(11,744,940)
X Tax expense:			
(1) Current tax		–	–
(2) Deferred tax		–	–
(3) Current tax expense relating to prior years		–	–
Total		–	–
XI Profit / (Loss) for the period from continuing Operations (IX - X)		17,472,175	(11,744,940)
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)		17,472,175	(11,744,940)
Less Minority Interest		0	0
XV Profit / (Loss) for the period (XI + XIV)		17,472,175	(11,744,940)
XVI Earnings per equity share:			
(1) Basic		1.41	(0.95)
(2) Diluted		1.41	(0.95)

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

As per our report of even date attached

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

N. BALASUBRAMANIAN
Partner Membership No. 023445

Chennai
29th May, 2017

FREDERICK IVOR BENDLE
Managing Director & CEO

VASUDEVAN MAHALINGAM
Director

Dr. P J GEORGE
Director

JITENDRA KUMAR PAL
Company Secretary

CONSOLIDATED NOTES ON ACCOUNTS

	As at 31-Mar-17	As at 31-Mar-16
	₹	₹
1 SHARE CAPITAL		
A AUTHORISED CAPITAL		
15,000,000 Equity Shares of ₹ 10/- each with equal voting rights	150,000,000	150,000,000
ISSUED CAPITAL		
123,65,006 Equity Shares of ₹ 10/- each with equal voting rights	123,650,060	123,650,060
SUBSCRIBED, CALLED UP AND PAID UP CAPITAL		
123,65,006 Equity Shares of ₹ 10/- each with equal voting rights	123,650,060	123,650,060
Fully Called up and paid up.		
(The paid up share capital includes shares worth ₹ 7,24,920 which were issued by the company in October 1994 for consideration other than cash)		
2 RESERVE AND SURPLUS		
A CAPITAL RESERVE		
Opening balance	206,250	206,250
Add: Additions during the year		
Less: Utilised / transferred during the year		
Closing balance	206,250	206,250
Foreign Currency Translation reserve	-	44,120,757
Add: Current Year	-	(44,120,757)
Closing balance	-	-
B SECURITIES PREMIUM ACCOUNT		
Opening balance	633,084,932	633,084,932
Add : Premium on shares issued during the year	-	-
Less : Utilised during the year for:	-	-
Closing balance	633,084,932	633,084,932
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	(1,134,845,121)	(1,072,566,700)
Add: Profit / (Loss) for the year	17,472,175	(11,744,950)
Less: Surplus / Deficit of disinvested subsidiary(CSWL)	-	(50,533,470)
Closing balance	(1,117,372,956)	(1,134,845,121)
Total	(418,217,521)	(435,689,686)

CONSOLIDATED NOTES ON ACCOUNTS

	As at 31-Mar-17	As at 31-Mar-16
	₹	₹
3 LONG-TERM BORROWINGS		
Term loans		
From banks		
Secured		
Canara Bank Building Term Loan	–	–
Sanoma National Bank - Building	–	–
Total	–	–
4 SHORT-TERM BORROWINGS		
Loans repayable on demand		
Chemoil Advanced Management Services Pvt Ltd	256,435,173	251,543,716
Chemoil Information Services Pvt Ltd	–	23,491,356
Chemoil International Pte Ltd	69,247,076	69,247,076
Chemoil Europe B.V	25,397,728	25,397,728
Total	351,079,977	369,679,876
5 TRADE PAYABLES		
Trade payable -Others	108,431	13,683
Trade payable to related parties	–	–
Chemoil Energy	2,549,855	2,549,855
Total	2,658,286	2,563,538
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	654	156,500
CST&VAT	–	–
EPF	0	1,925
Service tax	–	–
Other expenses Payable	707,500	1,192,500
Total	811,326	1,454,097
7 SHORT-TERM PROVISIONS		
IT Provision	105,480	105,480
Provision for employee benefits	135,278	135,278
Total	240,758	240,758

CONSOLIDATED NOTES ON ACCOUNTS

8 Fixed Asset Schedule as at 31st March 2017	Nil	
	As at 31-Mar-17	As at 31-Mar-16
	₹	₹
9 NON CURRENT INVESTMENTS (AT COST)		
Investment in Unquoted Equity Shares		
In Subsidiaries	-	-
Aspire Communications, Mysore, India (2,000,000 equity shares of ₹ 10/- each fully paid up)	-	-
Investment Others		
NSC	5,500	5,500
Total	5,500	5,500
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		
Secured, considered good	-	-
Unsecured, considered good	-	-
Doubtful	-	-
Less: Provision for doubtful loans and advances	-	-
(i) Other loans and advances (specify nature)	-	934,543
Secured, considered good	-	-
(f) Advance income tax # (net of provisions ₹ 41519871 (As at 31 March, 2011 ₹ 41519871) - Unsecured, considered good	59,742,735	59,742,735
Total	59,742,735	60,677,278

CONSOLIDATED NOTES ON ACCOUNTS

	As at 31-Mar-17	As at 31-Mar-16
	₹	₹
11 OTHER NON CURRENT ASSETS		
	-	-
12 TRADE RECEIVABLES		
Unsecured Considered Good	-	-
Considered Doubtful	-	-
	-	-
Less: Provision for doubtful debts	-	-
Sub Total	-	-
Grand Total	-	-
13 CASH AND CASH EQUIVALENTS		
(a) Cash on hand	-	19,907
(b) Cheques, drafts on hand	-	-
(c) Balances with banks	-	-
(i) In current accounts	356,486	1,092,785
(ii) In EEFC accounts	-	-
(iii) In deposit accounts (Refer Note (i) below)	-	-
(iv) In earmarked accounts	-	-
- Unpaid dividend accounts	103,172	103,172
Balances held as margin money or security against borrowings, guarantees and other commitments other earmarked accounts	-	-
(d) Others (specify nature)	-	-
Total	459,658	1,215,864
14 SHORT-TERM LOANS AND ADVANCES		
(a) Loans and advances to employees		
Secured, considered good		
Unsecured, considered good	-	-
Doubtful	-	-
(b) Prepaid expenses - Unsecured, considered good (For e.g. Insurance premium, Annual maintenance contracts, etc.)	-	-
(c) Balances with government authorities	-	-
Unsecured, considered good	-	-
(i) CENVAT credit receivable	-	-
(ii) VAT credit receivable	-	-
(iii) Service Tax credit receivable	-	-
Others	-	-
Total	-	-

CONSOLIDATED NOTES ON ACCOUNTS

	As at 31-Mar-17	As at 31-Mar-16
	₹	₹
15 OTHER CURRENT ASSETS		
(a) Accruals		
(i) Interest accrued on deposits	-	-
(ii) Interest accrued on investments	-	-
(iii) Interest accrued on trade receivables	-	-
Advance to Suppliers	-	-
(b) Others	15,000	-
(i) Insurance claims	-	-
(ii) Receivables on sale of investments	-	-
Dividend Receivable	-	-
(iv) Others (specify nature)	-	-
Rent Receivable	-	-
Less Provisions	-	-
Others	-	-
Total	15,000	-
16 REVENUE FROM OPERATIONS		
Sale of products @ (Refer Note (i) below)	-	-
Sale of services @ (Refer Note (ii) below)	-	-
Other operating revenues # (Refer Note (iii) below)	-	-
Total	-	-
17 OTHER INCOME		
Other non-operating income comprises:		
Rental income	-	30,597,878
Interest	-	-
Exchange Gain / Loss	16,612	6,244
Bad debts recovered	-	6,162,750
Miscellaneous income	154,977	44,320
Total - Other non-operating income	171,589	36,811,192
18 EMPLOYEE BENEFITS EXPENSE		
Salaries & Allowances	1,104,333	1,090,848
Contribution to Provident and other funds	68,814	60,960
Staff Welfare Expenses	30,816	45,974
Gratuity Provision	-	18,860
Total	1,203,963	1,216,642

CONSOLIDATED NOTES ON ACCOUNTS

	As at 31-Mar-17	As at 31-Mar-16
	₹	₹
19 OPERATION AND OTHER EXPENSES		
Fees, Rates & taxes	–	1,016,266
Repairs & Maintenance - Buildings	33,410	2,239,710
Repairs & Maintenance - Plant and Machinery	–	952,909
Communication Expenses	23,980	17,850
Travelling Expenses	38,292	319,647
Audit Fee	757,802	1,959,000
Penalty Fine etc	138,377	662,975
Legal, Professional and Secretarial Expenses	3,436,048	2,658,235
Exchange difference (Net)	–	27,014,124
Provision for rent receivable	–	(426,999,283)
Other write offs	(23,491,356)	–
Investments written off	–	307,205,343
Other Expenses	458,500	481,986
Loss on sale of assets	–	59,714,942
Commission	–	1,149,508
Marketing Expenses	–	–
Bank Charges	7,337	60,521
Office Expenses	93,062	593,835
Total	(18,504,549)	(20,952,432)
20 FINANCE COSTS		
Interest on Term Loan	–	51,631,104
Interest on Working Capital Loan	–	–
Interest Others	–	18,311,501
Total	–	69,942,605
21 DEPRECIATION & AMORTIZATION EXPENSES		
Depreciation	–	–
Amortisation Expenses	–	–
Total	–	–

CONSOLIDATED NOTES ON ACCOUNTS

	As at 31-Mar-17	As at 31-Mar-16
	₹	₹
22 EXCEPTIONAL ITEMS		
Excess provision of IT written off	–	(1,650,683)
Total	–	(1,650,683)

	(in ₹)	
	March 31, 2017	March 31, 2016

23 Going Concern

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

24 Discontinuing Operation

There exists material uncertainty that may cast significant doubt about the Holding Company's ability to continue as a going concern since it closed down its business activities along with its subsidiaries.

25 Basis for preparation of consolidated financial statements

The consolidated financial statements consist of:

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

All these financial statements have been prepared under the historical cost convention and comply with accounting standards in all material respects. Aspire Communications P Ltd and its subsidiary Aspire peripherals P Ltd, have stopped their operations entirely. California Software Company Ltd (Parent company) also stopped its business activities from last year.

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

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

26 Use of Estimates

The preparation of consolidated financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenue and expenses and disclosure of contingent liabilities as of the date of the financial statements. The estimates and assumptions used in the accompanying consolidated financial statements are based upon the management's evaluations of the relevant facts and circumstances as of the date of the financial statements. Actual results could differ from these estimates.

27 Revenue Recognition

The group companies and the parent company are not pursuing the main object, ie, software development.

CONSOLIDATED NOTES ON ACCOUNTS

		(in ₹)	
		March 31, 2017	March 31, 2016
28	Contingent Liabilities		
	California Software company Limited		
a.	Guarantees given on behalf of other companies	Nil	Nil
b.	Claims against the company not acknowledged as debt in respect of certain tax matters which are subjudice		
i)	Income Tax	133,960,202	132,001,334
ii)	Service Tax	3,552,977	3,552,977
29	Other Financial Information		
	California Software company Limited		
a)	Sitting fees paid / payable to Directors	Nil	117,500
30	Foreign Currency Transactions		
	There is no Foreign currency transactions during the year. At the year end, balance with bank denominated in Foreign Currency is restated at the closing exchange rate. Exchange differences arising out of the above are reckoned in the profit and loss account.		
31	IMPAIRMENT OF FIXED ASSETS		
a.	Impairment of Investment		
	The Subsidiary Company Aspire Communications Private Limited and its subsidiary Aspire Peripherals Private Limited stopped its activities.		
b.	Impairment of Fixed Assets		
	As there are no fixed assets there is no impairment of such assets.		
32	TRADE RECEIVABLE AND PAYABLES		
	The company have no trade receivables during the year. Out of total existing trade payables of ₹ 26,58,286/- an amount of ₹ 25,49,855 is payable to Associate company Chemoil Energy Limited.		
	During the Financial Year 2016-17 the company reassessed its payables accumulated over the years and restated them on a realistic basis. On the basis of above, net write off of bad Debts, other receivables, old Deposits and payables were written off for ₹ 2,34,91,356/-.		
33	RENT RECEIVABLE AND PROVISION		
	Nil		
34	INTANGIBLE ASSET		
	There are no Intangible asset		
35	TRANSFER PRICING		
	As there is no transaction, Transfer pricing is not applicable during the year.		
36	DEFERRED TAXATION		
	Since the going concern can't be said to in existence certainly, deferred tax is not recognized on accumulated losses.		

CONSOLIDATED NOTES ON ACCOUNTS

37 unsecured Loans from Associate companies

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

SI No.	Name of the company	As on 31/03/2017 ₹	As on 31/03/2016 ₹
1.	Chemoil Advanced Management Services Pvt Ltd	25,64,35,173	25,15,43,716
2.	Chemoil Information Services Pvt Ltd	–	23,491,356
3.	Chemoil International Pte Ltd	6,92,47,076	6,92,47,076
4.	Chemoil Europe B.V	2,53,97,728	2,53,97,728
Total		35,10,79,977	36,96,79,876

38 SEGMENT REPORTING

Nil

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

40 Disclosure under AS 15 revised on Employee benefits

California Software co Ltd

The holding company has only one employee for whom PF is being provided as per rules. Gratuity of ₹ 1,41,649/- is provided on the basis of Actuarial Valuation. Based on holding company's policy no provision is being made for leave encashment.

41 RELATED PARTY DISCLOSURE

A) Names of related parties and description of relationship

a) List of related parties where control Exists

1. California Software company limited

Companies Having Substantial

Kemoil Limited, Hong Kong

Interest

Chemoil Energy Limited, Hong Kong

b) Key management personnel

Mr.Fredrick Ivor Bendle and Jitendra Kumar Pal

c) List of related parties where no control Exists

Fellow Subsidiaries of Kemoil Limited

Chemoil corporation USA *

Chemoil International Pte. Ltd., Singapore *

Chemoil Energy Limited - Singapore*

Chemoil Europe B.V., The Netherlands *

GPS Chemoil LLC (FZC) U.A.E

Subsidiaries of the above mentioned fellow subsidiaries

Chemoil Advanced Management Services Pvt. Ltd., India

*InatechInfoSolutions Limited

Inatech Solutions UK

Inatech ME

Inatech Solutions Europe Ltd

2016-17

2015-16

₹

₹

B) The above information regarding related parties have been determined to the extent such parties have been identified on the basis of information available with the Holding company.

1. Chemoil Advanced management Services P Ltd

Interest on loan

–

–

Unsecured loan

58,26,000

–

2. Chemoil International Pte Ltd

Unsecured Loans

–

37,888,057

3. Chemoil Information Services P Ltd

Unsecured Loans

–

–

Other Payables

–

1,040,360

4. Glencore India Private Limited

Unsecured Loans Received / Paid

–

65,000,000

Interest Received / Paid

–

12,365,569

CONSOLIDATED NOTES ON ACCOUNTS

42 Earnings per share

Basic Earnings Per Share	March 31, 2017	March 31, 2016
	₹	₹
Weighted average - No. of shares	12,365,006	12,365,006
Profit after Tax	174,72,175	(11,744,930)
Basic Earnings per Share	1.41	(0.95)

43 Details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 by Holding company California Software Company Limited are as follows:

	SBNS	Other denomination notes	Total
Closing cash in hand as on 08.11. 2016	–	2000	2000
(+) Permitted receipts	–	–	–
(-) Permitted payments	–	–	–
(-) Amount deposited in Banks	–	–	–
Closing cash in hand as on 30.12. 2016	–	2000	2000

44 Regrouping and rearranging of figures

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

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

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

N. BALASUBRAMANIAN
Partner Membership No. 023445
Chennai
29th May, 2017

FREDERICK IVOR BENDLE
Managing Director & CEO

VASUDEVAN MAHALINGAM
Director

Dr. P J GEORGE
Director

JITENDRA KUMAR PAL
Company Secretary

CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED

	March 31, 2017	March 31, 2016
		(in ₹)
CASH FLOW FROM OPERATIONS		
Net profit before tax and extraordinary and prior period items	17,472,175	(11,744,930)
Adjustment for:		
Loss on disposal of asset	-	59,714,942
Depreciation and Impirements	-	-
Deferred expenses written off	-	-
Interest Income	-	-
Interest expense	-	69,942,605
Investment Write off	-	-
Transfer to reserves		
Minority Interest changes		
TOTAL	17,472,175	117,912,617
Adjustment for:		
Current Assets, Loans and Advances	919,542	10,066,103
Current Liabilities & Provisions	(19,147,924)	(197,638,590)
Increase/ Decrease in net current asset	(18,228,382)	(187,572,486)
Cash generated from operations	(756,207)	(69,659,869)
Current Taxation	-	-
Deferred Taxation	-	-
Other Items to be adjusted	-	-
NET CASH FROM OPERATIONS	(756,207)	(69,659,870)
CASH FLOW FROM INVESTING		
Purchase of fixed Assets net	-	-
Cash generated from sale of asset	-	360,000,000
Deferred tax Asset	-	-
Change in Investments	-	17,500
Interest Income	-	-
NET CASH USED FOR INVESTING	-	360,017,500
CASH FLOW FROM FINANCING		
Loans borrowed (Net of repayment)	-	(250,806,819)
Deferred tax liability	-	-
Increase in unsecured Loans	-	122,743,741
Increase in capital		
Increase in Share premium		
Increase / (Decrease) in other reserves	-	(94,654,235)
Minority Interest changes	-	-
Dividend Tax	-	-
Interest Expense	-	(69,942,605)
Dividend	-	-
NET CASH FROM FINANCING	-	(292,659,917)
Net increase/ decrease in cash or cash equivalents	(756,207)	(2,302,288)
Cash & Cash equivalents at the beginning of the year	1,215,864	3,518,152
Cash & Cash equivalents at the close of the year	459,657	1,215,864

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

N. BALASUBRAMANIAN
Partner Membership No. 023445
Chennai
29th May, 2017

FREDERICK IVOR BENDLE
Managing Director & CEO

VASUDEVAN MAHALINGAM
Director

Dr. P J GEORGE
Director

JITENDRA KUMAR PAL
Company Secretary

Standalone Financial Statements

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

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

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **CALIFORNIA SOFTWARE COMPANY LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, and its loss and its cash flows for the year ended on that date.

Emphasis of Matter

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

- Note 26 and 27 in the stand alone financial statements which indicate that the Standalone Company has accumulated losses and its net worth has been fully eroded, the Standalone Company has incurred a net loss during the current and previous year(s) and, the Stand alone Company's current liabilities exceeded its current assets as at the balance sheet date. These conditions, along with other matters set forth in Note 26, indicate the existence of a material uncertainty that may cast significant doubt about the Stand alone Company's ability to continue as a going concern.
- Note no. 31 to the standalone financial statement regarding unsecured loans from Associate companies amounting to ₹ 35,10,79,977/-.
- Company's subsidiary company i.e Aspire Communications P Ltd and its subsidiary Aspire peripherals P Ltd have stopped their operations fully.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

- As required by the Companies (Auditor's Report) Order, 2017 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
- As required by Section 143 (3) of the Act, we report that:
 - 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;
 - 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;
 - the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
 - in our opinion, the aforesaid (Standalone) financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

-
- e. On the basis of written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 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 B";
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The Company has provided requisite disclosures in its standalone financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note 47 to the standalone financial statements.

For and on behalf of

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

N. Balasubramanian
Partner

Membership No: 023445

Chennai
29th May 2017

"ANNEXURE A" to the Independent Auditors' Report

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2017:

- 1) As the Company has not having any fixed assets, maintenance of proper records showing full particulars, including quantitative details and situation of fixed assets and periodical verification are not applicable;
- 2) As the company is not having any inventory, the physical verification of such inventory and maintenance of records are not applicable.
- 3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- 7) a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues wherever applicable, with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2017 for a period of more than six months from the date on when they become payable.
b) According to the information and explanation given to us, there are no undisputed dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding, other than on account of any dispute mentioned in Note No.46.
- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of Clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, no managerial remuneration has been paid during the year.
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For and on behalf of
N. Balasubramanian Associates
Chartered Accountants
F.No. 0355S

N. Balasubramanian
Partner
Membership No: 023445

Chennai
29th May 2017

ANNEXURE - B TO THE AUDITORS' REPORT

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 31 March 2017.

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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility:

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

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

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

Meaning of Internal Financial Controls over Financial Reporting:

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 31 March 2017, 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 and on behalf of
N. Balasubramanian Associates
 Chartered Accountants
F.No. 0355S

N. Balasubramanian
 Partner
 Membership No: 023445

Chennai
 29th May 2017

STANDALONE BALANCE SHEET AS AT 31ST MARCH 2017

Particulars	Note No.	Figures as at 31.03.2017 ₹	Figures as at 31.03.2016 ₹
I. EQUITY AND LIABILITIES			
1. Shareholders' funds			
(a) Share capital	1	123,650,060	123,650,060
(b) Reserve and surplus	2	(387,097,165)	(404,473,757)
(c) Money received against share warrants		-	-
Total		(263,447,105)	(280,823,697)
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	351,079,976	369,679,876
(b) Trade payables	5	2,658,286	2,563,538
(c) Other Current Liabilities	6	811,326	1,354,096
(d) Short-term provisions	7	135,278	135,278
Total		354,684,866	373,732,788
TOTAL		91,237,761	92,909,091
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	31,137,971	31,137,969
(c) Deferred tax assets (net)	10	-	-
(d) Long-term loans and advances	11	59,742,735	60,677,278
(e) Other non-current assets		-	-
Total		90,880,706	91,815,248
2. Current assets			
(a) Current investments	12	-	-
(b) Inventories		-	-
(c) Trade receivable	13	-	-
(d) Cash and cash equivalents	14	342,055	1,093,844
(e) Short-term loans and advances	15	15,000	-
(f) Other current assets	16	-	-
Total		357,055	1,093,844
TOTAL		91,237,761	92,909,092

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

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

N. BALASUBRAMANIAN
Partner Membership No. 023445
Chennai
29th May, 2017

FREDERICK IVOR BENDLE
Managing Director & CEO

VASUDEVAN MAHALINGAM
Director

Dr. P J GEORGE
Director

JITENDRA KUMAR PAL
Company Secretary

STANDALONE PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2017

Particulars	Note No.	Figures as at	Figures as at
		31.03.2017	31.03.2016
		₹	₹
I. Revenue from operations	17	0	0
II. Other Income	18	154,977	36,804,948
III. Total Revenue (I+II)		154,977	36,804,948
IV. Expenses:			
Employee benefits expense	19	1,203,963	1,216,642
Operation and Other Expenses	20	(18,425,578)	(21,310,795)
Finance Costs	21	0	69,927,646
Depreciation and amortization Expenses		0	0
Total Expenses		(17,221,615)	49,833,493
V Profit before exceptional and extraordinary items and tax (III-IV)		17,376,592	(13,028,545)
VI Exceptional Items	22	0	0
VII Profit before extraordinary items and Tax (V-VI)		17,376,592	(13,028,545)
VIII Extraordinary items		0	0
IX Profit before Tax (VII-VIII)		17,376,592	(13,028,545)
X Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		-	-
(3) Current tax expense relating to prior years		-	-
Total		-	-
XI Profit / (Loss) for the period from continuing Operations (IX-X)		17,376,592	(13,028,545)
XII Profit/(Loss) from discontinuing operations		0	0
XIII Tax expense of discontinuing operations		0	0
XIV Profit / (loss) from discontinuing operations (after tax) (XII-XIII)		17,376,592	(13,028,545)
XV Profit / (Loss) for the period (XI+XIV)		17,376,592	(13,028,545)
XVI Earnings per equity share:			
(1) Basic		1.41	(1.05)
(2) Diluted		1.41	(1.05)

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

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

N. BALASUBRAMANIAN
Partner Membership No. 023445
Chennai
29th May, 2017

FREDERICK IVOR BENDLE
Managing Director & CEO

VASUDEVAN MAHALINGAM
Director

Dr. P J GEORGE
Director

JITENDRA KUMAR PAL
Company Secretary

NOTES ON ACCOUNTS

	As at 31-Mar-17	As at 31-Mar-16		
	₹	₹		
1 SHARE CAPITAL				
A AUTHORISED CAPITAL				
15,000,000 Equity Shares of ₹ 10/- each with equal voting rights	150,000,000	150,000,000		
ISSUED CAPITAL				
123,65,006 Equity Shares of ₹ 10/- each with equal voting rights	123,650,060	123,650,060		
SUBSCRIBED, CALLED UP AND PAID UP CAPITAL				
123,65,006 Equity Shares of ₹ 10/- each with equal voting rights	123,650,060	123,650,060		
Fully Called up and paid up.				
(The paid up share capital includes shares worth ₹ 7,24,920 which were issued by the company in October 1994 for consideration other than cash)				
B Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:				
	No of Shares	No of Shares		
Opening Balance	12,365,606	12,365,606		
Changes During the year	-	-		
Closing Balance	12,365,606	12,365,606		
C Shareholders holding more than 5% of total shares				
	No of Shares	%	No of Shares	%
1 KEMOIL LTD	8743911	70.71	8743911	70.71
	8743911	70.71	8743911	70.71

NOTES ON ACCOUNTS

	As at 31-Mar-17	As at 31-Mar-16
	₹	₹
2 RESERVE AND SURPLUS		
(A) Capital reserve		
Opening balance	206,250	206,250
Add: Additions during the year		
Less: Utilised / transferred during the year		
Closing balance	206,250	206,250
(B) Securities premium account		
Opening balance	633,084,932	633,084,932
Add : Premium on shares issued during the year		
Less : Utilised during the year for:		
Closing balance	633,084,932	633,084,932
(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	(1,103,629,182)	(1,090,600,637)
Add: Profit / (Loss) for the year	17,376,592	(13,028,545)
Less: Amount Transferred to		
Closing balance	(1,086,252,590)	(1,103,629,182)
Total	(387,097,165)	(404,473,757)

NOTES ON ACCOUNTS

	As at 31-Mar-17	As at 31-Mar-16
	₹	₹
3 LONG-TERM BORROWINGS		
Term loans		
From banks		
Secured	-	-
Total	-	-
4 SHORT-TERM BORROWINGS		
Loans repayable on demand		
From banks	-	-
From others		
Chemoil Advanced Management Services Pvt Ltd	256,435,173	251,543,716
Chemoil Information Services Pvt Ltd	-	23,491,356
Chemoil International Pte Ltd	69,247,076	69,247,076
Chemoil Europe B.V	25,397,728	25,397,728
Total	351,079,977	369,679,876
5 TRADE PAYABLES	2,658,286	2,563,538
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	-	-
Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, VAT, Service Tax, etc.)	-	1,925
TDS Payable	654	156,500
CST&VAT	-	-
Other expenses Payable	707,500	1,092,500
Total	811,326	1,354,096
7 SHORT-TERM PROVISIONS		
Gratuity Provision	135,278	135,278
Total	135,278	135,278

NOTES ON ACCOUNTS

	As at 31-Mar-17	As at 31-Mar-16
	₹	₹
8 Tangible Assets	-	-
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 ₹ 10/- each fully paid up		
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	-	934,543
Advance income tax # (net of provisions ₹		
Unsecured, considered good)	59,742,735	59,742,735
Total	59,742,735	59,742,735
	59,742,735	60,677,278

NOTES ON ACCOUNTS

	As at 31-Mar-17	As at 31-Mar-16
	₹	₹
12 CURRENT INVESTMENTS (AT COST)		
Investment in Unquoted Equity Shares		
	-	-
	-	-
13 TRADE RECEIVABLES		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment #		
Unsecured Considered Good	-	-
Considered Doubtful	-	-
	-	-
Less: Provision for doubtful debts	-	-
Sub Total	-	-
Other Trade receivables		
Unsecured, considered good	-	-
Doubtful	-	-
	-	-
Less: Provision for doubtful trade receivables	-	-
Sub Total	-	-
Grand Total	-	-
14 CASH AND CASH EQUIVALENTS		
(a) Cash on hand	-	19,907
(b) Cheques, drafts on hand	-	-
(c) Balances with banks		
(i) In current accounts	238,883	970,765
(ii) In EEFC accounts & Foreign banks	-	-
(iii) In deposit accounts (Refer Note (i) below)	-	-
(iv) In earmarked accounts		
- Unpaid dividend accounts	103,172	103,172
Balances held as margin money or security against borrowings, guarantees and other commitments other earmarked accounts	-	-
Total	342,055	1,093,844

NOTES ON ACCOUNTS

	As at 31-Mar-17	As at 31-Mar-16
	₹	₹
15 SHORT-TERM LOANS AND ADVANCES		
Secured, considered good	15,000	-
Unsecured, considered good	-	-
Doubtful		
Less: Provision for doubtful loans and advances		
Prepaid expenses - Unsecured, considered good (For e.g. Insurance premium, Annual maintenance contracts, etc.)	-	-
Balances with government authorities		
Total	15,000	-
16 OTHER CURRENT ASSETS		
Accruals		
(i) Interest accrued on deposits	-	-
(ii) Interest accrued on investments		
(iii) Interest accrued on trade receivables		
Others		
(i) Insurance claims		
(ii) Other Receivables	-	
(iii) Dividend Receivable		
(iv) Others (specify nature)		
Rent Receivable	-	-
Less Provisions	-	-
	-	-
Total	-	-
17 REVENUE FROM OPERATIONS		
Sale of products	-	-
Sale of services	-	-
Other operating revenues		
Total	-	-
18 OTHER INCOME		
Other non-operating income comprises:		
Rental income	-	30,597,878
Interest On FD	-	-
Bad debts recovered	-	6,162,750
Miscellaneous income	154,977	44,320
Total - Other non-operating income	154,977	36,804,948
19 Employee benefits expense		
Salaries & Allowances	1,104,333	1,090,848
Contribution to Provident and other funds	68,814	60,960
Staff Welfare Expenses	30,816	45,974
Gratuity Provision	-	18,860
Total	1,203,963	1,216,642

NOTES ON ACCOUNTS

	As at 31-Mar-17	As at 31-Mar-16
	₹	₹
20 OPERATION AND OTHER EXPENSES		
Electricity Charges	–	–
Rates & taxes	396,646	999,336
Insurance	–	–
Repairs & Maintenance - Buildings	33,410	2,239,710
Repairs & Maintenance - Plant and Machinery	–	952,909
Communication Expenses	23,980	17,850
Travelling Expenses	38,292	294,777
Audit fee	857,802	1,845,000
Other Audit expenses	–	–
Penalty, Fine etc	138,377	662,975
Legal, Professional and Secretarial Expenses	3,436,048	2,457,646
Exchange difference (Net)	(19,047)	27,014,124
Payables / Receivables written off	(23,491,356)	(426,999,283)
Investments written off	–	307,205,343
Other Expenses	61,854	481,986
Loss on sale of assets	–	59,714,942
TDS exces paid	–	–
Commission	–	1,149,508
Provision for rent receivable	–	–
Bank Charges	5,355	58,547
Office Maintenance	93,062	593,835
Excess service credit write off	–	–
Total	(18,425,578)	(21,310,795)
21 FINANCE COSTS		
Interest on Term Loan	–	51,631,104
Interest on Working Capital Loan	–	–
Interest on Income Tax	–	–
Interest on HP- Loan	–	–
Interest Others	–	18,296,542
Total	–	69,927,646
22 EXCEPTIONAL ITEMS		
Prior period Expense	–	–
(Profit) / Loss on Sale of Investment	–	–
Restatement of payables	–	–
Prior period depreciation due to change in Dep policy	–	–
Fixed Asset Impirement	–	–
Total	–	–
23 CAPITAL COMMITMENTS		
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances)	–	–

NOTES ON ACCOUNTS

	As at 31-Mar-17	As at 31-Mar-16
	₹	₹
24 CONTINGENT LIABILITIES		
24.1 Guarantees given on behalf of other companies	Nil	NIL
24.2 Claims against the company not acknowledged as debt in respect of certain tax matters which are subjudice		
i) Income Tax (net of deposit)	133,960,202	132,001,334
ii) Service Tax	35,52,977	35,52,977
	31.03.2017	31.03.2016
	₹	₹
25 OTHER FINANCIAL INFORMATION		
25.1 Outstanding Bank Guarantees	0	0
25.2 Reimbursement of travel expenses to Directors	0	0
25.3 Sitting fees paid / payable to Directors	0	117,500
26 GOING CONCERN		
<p>Company has accumulated losses and its net worth has been fully eroded, the company has incurred a net loss during the current and previous year(s) and, the company's current liabilities exceeded its current assets as at the balance sheet date. Company is not pursuing its main object of software development and is generating only income from letting out premises owned by it, also the subsidiaries also has stopped their operations. The above factors indicate the existence of a material uncertainty that may cast significant doubt about the company's ability to continue as a going concern.</p>		
27 DISCONTINUING OPERATIONS		
<p>Though there exists material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern, items falling under the fixed asset category, i.e., building and attached furniture and fixtures, which is used for letting out and the company was deriving the rental income, Company sold all its assets in the previous year.</p>		
28 BASIS FOR PREPARATION		
<p>Financial statements have been prepared under the historical cost convention and comply with accounting standards in all material respects.</p>		
29 IMPAIRMENT OF ASSETS		
a) Impairment of Investment		
<p>The Subsidiary Company Aspire Communications Private Limited and its subsidiary Aspire Peripherals Private Limited stopped its activities.</p>		
b) Impairment of Fixed Assets		
<p>As there are no fixed assets there is no impairment of such assets.</p>		
30 TRADE RECEIVABLES & PAYABLES		
<p>Since the company has fully stopped its principal business being Software Development and its sales and service hence company have no trade receivables during the year. Out of total existing trade payables of ₹ 26,58,286/- an amount of ₹ 25,49,855 is payable to Associate company Chemoil Energy Limited.</p>		
<p>During the Financial Year 2016-17 the company reassessed its Trade receivables and payables accumulated over the years and restated them on a realistic basis. On the basis of above, net write off of bad Debts, other receivables, old Deposits and payables were written off for ₹ 2,34,91,356/-.</p>		

NOTES ON ACCOUNTS

	31.03.2017	31.03.2016
	₹	₹
31 UNSECURED LOAN FROM ASSOCIATE COMPANIES		
Company has taken unsecured loans as given below from various companies from its parent Group as given below		
Sl. No.	Name of the Company	
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
		36,96,79,876
32 TRANSFER PRICING		
As there is no transaction, transfer pricing is not applicable during the year.		
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	5,00,000	5,00,000
Tax Audit	–	150,000
Limited Review and Consolidation	4,00,000	950,000
Internal Audit fee, Certification & other expenses	–	245,000
Total	9,00,000	18,45,000
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.		
37 EXPENDITURE IN FOREIGN CURRENCY	Nil	Nil
38 EARNINGS IN FOREIGN CURRENCY		
Sales	Nil	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.		

NOTES ON ACCOUNTS

	As at 31-Mar-17	As at 31-Mar-16
	₹	₹
41 DISCLOSURE UNDER AS 15 REVISED ON EMPLOYEE BENEFITS		
The company has only one employee for whom PF is being provided as per rules. Gratuity of ₹ 141649/- is provided on the basis of Actuarial Valuation. Based on company's policy no provision is being made for leave encashment.		
42 RELATED PARTY DISCLOSURE		
42.1 Names of related parties and description of relationship		
a) List of related parties where control Exists		
Companies Having Substantial Interest	Kemoil Limited, Hong Kong	
Subsidiaries	Aspire Communications Private Limited, Mysore	
Subsidiary of Aspire Communications Private Limited	Aspire Peripherals P Ltd, Mysore	
b) Key management personnel	Mr.Frederick Ivor Bendle and Mr. Jitendra Kumar Pal	
c) Other Group Companies		
Fellow Subsidiaries of Kemoil Limited	Chemoil International Pte. Ltd., Singapore Chemoil Energy Limited - Singapore Chemoil Europe B.V., The Netherlands	
Subsidiaries of the abovementioned fellow subsidiaries	Chemoil Advanced Management Services Pvt. Ltd., India Chemoil Information Services Pvt Ltd InatechInfoSolutions Private Limited, Bangalore Inatech Solutions Ltd, UK Inatech Solutions Egypt, SAE Inatech ME Inatech Solutions Europe Ltd Glencore India Private Limited	

	2016-17	2015-16
	₹	₹
42.2 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 PART TRANSACTIONS

With subsidiaries

Nil

With other group Companies

1. Chemoil Advanced management Services P Ltd

Interest On loan	–	17,820,852
Unsecured Loans	58,26,000	109,605,429
Other Payables	–	–

2. Chemoil International Pte Ltd

Unsecured Loans	–	37,888,057
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43 EARNINGS PER SHARE

Weighted average - No. of shares	12,365,006	12,365,006
Profit after Tax - ₹	1,73,76,592	(13,028,545)
Basic Earnings per Share - ₹	1.41	(1.05)

44 As at March 31, 2017 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.

NOTES ON ACCOUNTS

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

S.No.	Name of the Statute	Nature of the dues	Amount ₹	Forum where dispute is pending
1.	Income Tax Act, 1961			
	Income Tax (A.yr 1997-98)	11,27,394	Assessing Officer	
2.	Income Tax Act, 1961			
	Income Tax (A.yr 2000-01)	22,84,617	Assessing Officer	
3.	Income Tax Act, 1961			
	Income Tax (A.yr 2001-02)	15,24,090	Madras High Court	
4.	Income Tax Act, 1961			
	Income Tax (A.yr 2002-03)	33,56,300	Madras High Court	
5.	Income Tax Act, 1961			
	Income Tax (A.yr 2003-04)	12,42,460	Madras High Court	
6.	Income Tax Act, 1961	Income Tax (A.yr 2004-05)	12,914,393	Assessing Officer
7.	Income Tax Act, 1961	Income Tax (A.yr 2006-07)	12,380	Assessing Officer
8.	Income Tax Act, 1961	Income Tax & TDS (A.yr 2007-08)	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 No.511/2016 (STA-I) passed by the Commissioner of service tax (Appeals-I) Pending before the customs and excise and service tax appellate tribunal, south zonal bench, Chennai

- 46 Details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 are as follows:

	SBNS	Other denomination notes	Total
Closing cash in hand as on 08.11. 2016	-	2000	2000
(+) Permitted receipts	-	-	
(-) Permitted payments	-	-	
(-) Amount deposited in Banks	-	-	
Closing cash in hand as on 30.12. 2016	-	2000	2000

47. REGROUPING AND REARRANGING OF FIGURES

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

STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED

	March 31, 2017		March 31, 2016	
	₹	₹	₹	₹
A. Cash Flow from Operating Activities				
Profit before Tax		17,376,592		(13,028,545)
Adjustment for :				
Depreciation and Fixed Asset Impirement	-		-	
Investment Impirement				
Loss on Sale of Assets	-		59,714,942	
Net payables written off				
Profit on Sale of Investments	-		-	
Interest Income	-		-	
Interest Expense	-		69,927,646	
		-		129,642,588
Operating profit before working capital changes		17,376,592		116,614,043
Inventories	-		-	
Non Current Investments	-		307,220,343	
Sundry Debtors	-		-	
Loans and Advances	919,540		10,066,106	
Current Liabilities	(19,047,922)	(18,128,382)	(597,779,727)	(280,493,278)
Cash Generated from Operating Activities		(751,790)		(163,879,235)
Taxes Paid		-		-
Net Cash from Operating Activities		(751,790)		(163,879,235)
B. Cash flow from Investing Activities				
Purchase of Investments				
Purchase of Fixed Assets		-		-
Profit on settlement of liabilities		-		-
Sale proceeds of Fixed Assets		-		360,000,000
Sale proceeds of Investments		-		-
Interest Received		-		-
Net Cash from Investing Activities		-		360,000,000
C. Cash flow from Financing Activities				
Long term loan received		-		-
Long term loan repaid		-		(250,806,819)
Net Increase in packing credit		-		-
Unsecured Loan from Group Companies		-		122,743,740
Proceeds from Issue of Share Capital		-		-
Share Premium received		-		-
Interest paid		-		(69,927,646)
Dividend paid		-		-
Dividend Tax paid		-		-
Net Cash from Financing Activities		-		(197,990,725)
Net Increase / (decrease) in Cash and Cash Equivalents (A+B+C)		(751,790)		(1,869,960)
Cash and cash equivalents at the beginning of the year		1,093,844		2,963,804
Cash and cash equivalents at the end of the year		342,055		1,093,844

As per our Report even date

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

N. BALASUBRAMANIAN
Partner Membership No. 023445

Chennai
29th May, 2017

FREDERICK IVOR BENDLE
Managing Director & CEO

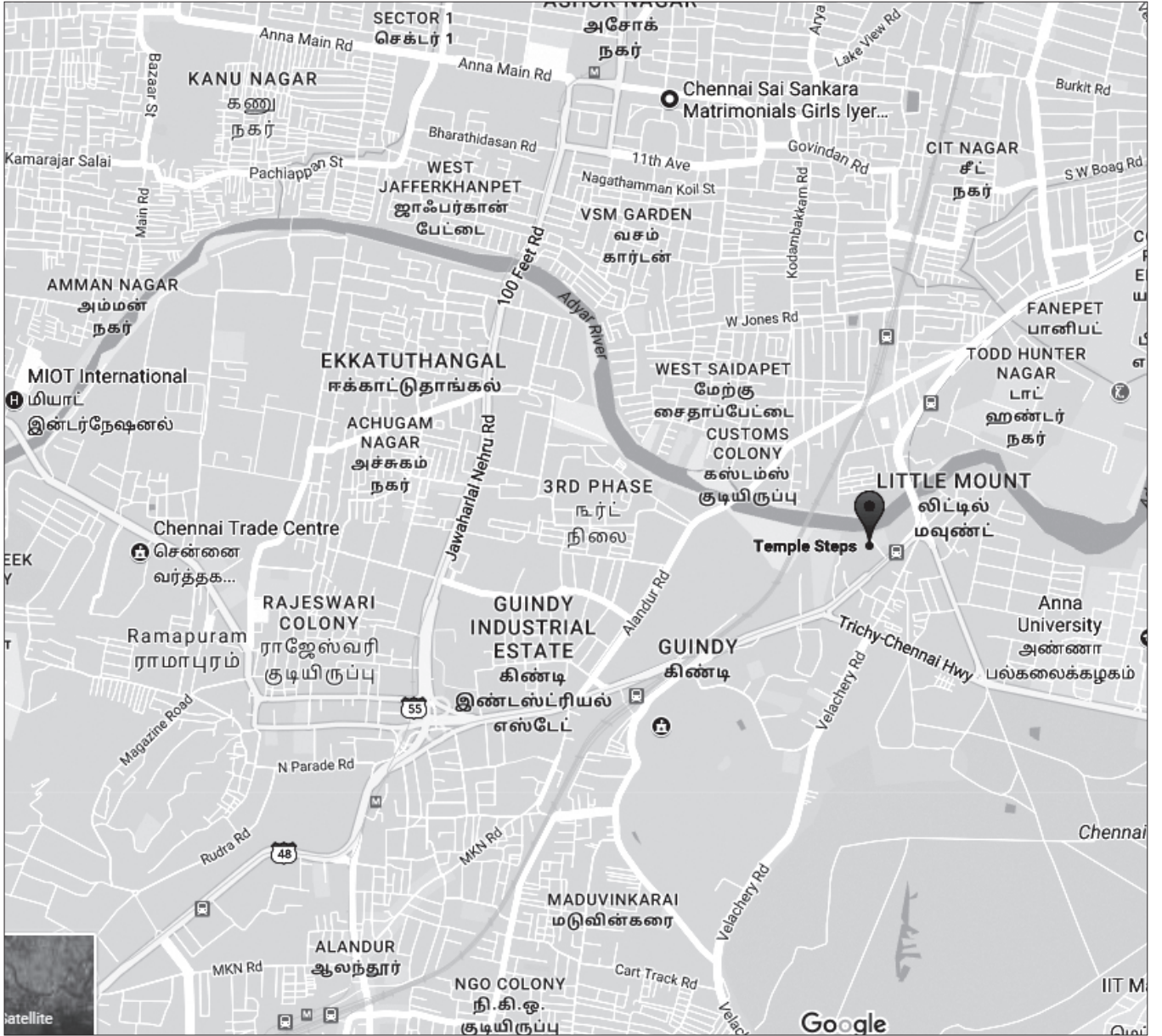
VASUDEVAN MAHALINGAM
Director

Dr. P J GEORGE
Director

JITENDRA KUMAR PAL
Company Secretary

ROUTE MAP OF AGM VENUE:

**Twenty Fifth AGM on Thursday, the 28th September 2017 at 10.00 a.m.
at Temple Steps, Block I, 3rd Floor, 184-187, Anna Salai, Little Mount, Saidapet, Chennai-600 015**



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CALIFORNIA SOFTWARE COMPANY LIMITED

CIN : L72300TN1992PLC022135

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

ATTENDANCE SLIP 25th ANNUAL GENERAL MEETING

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

I/We hereby record my/our presence at the 25th Annual General Meeting of the Company to be held at # Temple Steps, Block I, 3rd Floor, 184-187, Anna Salai, Little Mount, Saidapet, Chennai-600 015 at 10.00 a.m. on Thursday, September 28, 2017.

.....
Name of the Shareholder
(in Block Letters)

.....
Regd. Folio No.
(Physical)/I.D. No. (Demat)

.....
Name of the Proxy
(in Block Letters)

.....
Signature of te Shareholder(s)/
or Proxy present

ELECTRONIC VOTING PARTICULARS

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

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

(TEAR HERE)

CALIFORNIA SOFTWARE COMPANY LIMITED

CIN : L72300TN1992PLC022135

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

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

25th ANNUAL GENERAL MEETING

PROXY FORM (Form No. MGT-11)

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

Name of the member(s):

Registered Address:

E-mail ID:

Folio No. / Client ID and DP ID:

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

Address: Address: Address:

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

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

I/We residing at

..... being a shareholder(s) of CALIFORNIA SOFTWARE COMPANY LIMITED hereby

appoint..... of of failing him/her

.....of.....as my/our Proxy to attend and vote for

me/us on my/our behalf at the 25th Annual General Meeting of the Company to be held at # Temple Steps, Block I, 3rd Floor, 184-187, Anna Salai, Little Mount, Saidapet, Chennai-600 015 at 10.00 a.m. on Thursday, September 28, 2017 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions
1	To receive, consider and adopt the Balance Sheet as at March 31, 2017 and the Profit and Loss Account for the year ended on that date and the report of the Directors and Auditors thereon.
2	To appoint a Director in place of Mrs. Vijayapriya Narayanan, who retires by rotation and being eligible, offer herself for re-appointment
3	To ratify the re-appoint M/s. N. Balasubramanian Associates, Chartered Accountants as Statutory Auditors

Signed at this day of 2016

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

Affix
Revenue
Stamp

To

If undelivered please return to :

California Software Co. Ltd.

Registered Office & Corporate Office

Robert V Chandran Tower

No. 149, Velachery Tambaram Main Road,

Pallikaranai, Chennai - 600 100

Tel. : +91-44-42829000

Website: www.calsoftgroup.com