



Realize Your Ideas

ANNUAL REPORT

2014-15

CORPORATE INFORMATION

Board of Directors

Bhavesh Rameshlal Chauhan

Managing Director & CEO

Dr. P J George

Non Executive Independent Director

T R Ramasamy

Non Executive Independent Director

Frederick Ivor Bendle

Non Executive Director (*wef from 23rd September 2014*)

Vijayapriya

Women Director (Non Executive Director) (*wef 30th April 2015*)

Company Secretary & Compliance Officer

Jitendra Kumar Pal

Auditors

M/s TOMY & FRANCIS

Chartered Accountants

6/407, Kizhakkumpattukara Road,
Near Bishop's Palace, East Fort, Thrissur,
Kerala - 680 005

Main Bankers

Canara Bank

Stock Exchanges -Listed on

- I - National Stock Exchange of India Limited
 - II - The Bombay Stock Exchange Limited
-

Contact us:

Registered Office & Corporate Office

Robert V Chandran Tower

No.149, Velachery Tambaram Main Road,

Pallikarnai, Chennai- 600 100

Telephone Nos. +91- 44-42829000

Fax No. +91-44-42829012

Email for shareholders: investor@calsoftgroup.com

Website: www.calsoftgroup.com

Registrars and Share Transfer Agent

Integrated Enterprises (India) Ltd,

(Unit: California Software Co Ltd)

2nd floor, Kencees Towers,

1, Ramakrishna Street, North Usman Road

T Nagar, Chennai - 600017 India

Tel: +91-44- 28140801 to 28140803

Email: yuvraj@integratedindia.in

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Letter to Shareholder



Dear Shareholders,

I am sorry to report to shareholders that this year has been one of continuing difficulties for your company. The sale of RVC Towers that I reported to you as being in progress at this time last year eventually fell through when the buyer, having paid a deposit, failed to complete the transaction. The small benefit to the Company in retaining the deposit was far outweighed by the continuing burden of the high interest rate on the Canara Bank mortgage and the very limited rental income the company receives. Canara Bank has agreed to slightly reduce the interest rate effective 1 April 2015 but this will still not be enough to bridge the shortfall in income from tenants. We continue to make strenuous efforts to find tenants at economic rents for vacant areas of the building, and to seek a buyer for the building as a whole, but as yet have had little success in the former, and none with the latter. Were it not for the continuing financial support from the company's major shareholder to help us fund loan interest and capital repayments to Canara Bank the company would have become insolvent during the past year.

Your Board now feels that if a sale of RVC Towers can be achieved we are unlikely to realize any more than is required to settle amounts due to Canara Bank, and so after a sale the company would be left with no rental incomes and therefore no income at all to meet its ongoing staff and administration costs. Unless we can find a buyer for the Company who can attribute some value to the company's listed status and who would be willing to make an offer for the entire share capital, a sale of RVC Towers would most likely trigger the winding up of the company. Although your Board remains actively seeking such a "white Knight" the groups plethora of old legacy potential liabilities, mainly related to taxation, are proving a significant deterrent to any potential buyers.

Bhavesh Rameshlal Chauhan
Managing Director & CEO

NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the Twenty Third Annual General Meeting of the Company will be held on Wednesday the 19th August 2015 at 10.00 a.m. at 8th Floor, Robert V Chandran Tower, # 149, Velachery Tambaram Main Road, Pallikaranai, Chennai-600 100 transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the
 - a) Audited Financial Statements of the Company for the financial year ended 31st March 2015
 - b) Audited Consolidated Financial Statements of the Company for the financial year ended 31st March 2015
2. To appoint a Director in place of Mr. Fredrick Ivor Bendle, who retires by rotation and being eligible, offer himself for re-appointment.
3. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED that, pursuant to the provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder and pursuant to the recommendation of the Audit Committee and Board of Directors, consent of the Company be and is hereby accorded to re-appoint M/s. Tomy & Franics, Chartered Accountants (Firm Regn. No. 010922S) as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting.

FURTHER RESOLVED THAT they may be paid the remuneration which may be decided by the Board of Directors of the Company or committee thereof."

SPECIAL BUSINESS:

4. Appointment of Ms. Vijayapriya as Non Executive Non-Independent Woman Director.

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 Sections 149 and 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules framed there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act, Ms. Vijayapriya (holding DIN: 07172974) who was appointed as Additional Director on 30th April 2015, be and is hereby appointed as a Director of the Company, liable to retire by rotation and that Ms. Vijayapriya shall be a non-executive, non-independent and woman director of the Company.

By order of the Board

For **California Software Company Limited**

Chennai
24th July 2015

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 17th August 2015 to 19th August 2015 (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 ENTERPRISES (INDIA) LTD.,
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 2006-2007 (YE March 31, 2007) 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 2007-2008 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 Rules made there under read with Clause 35B of the Equity Listing Agreement, 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 12th August 2015. 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 |
|--------------------------------------|---------|--------------|
| 102256 | | |
- (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 Saturday, the 15th August 2015 (10:00 am) and ends on Tuesday, the 18th August 2015 (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 12th August 2015, 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 19th August 2015
7. The Notice together with the accompanying Explanatory Statement is and may be treated as an abstract of the terms of appointment/ variation in terms of appointment and memorandum of interest of Directors under Section 190 of the Companies Act, 2013.

EXPLANATORY STATEMENT UNDER SECTION 102 (2) OF THE COMPANIES ACT, 2013

Item No.4

Appointment of Ms. Vijayapriya as a Director

Ms. Vijayapriya was appointed as an Additional Director of the Company with effect from 30th April 2015 and she holds office till the date of the ensuing AGM. The Company has received a notice under Section 160 of the Companies Act 2013, along with the requisite deposit member signifying his intention to propose the candidature of Ms. Vijayapriya as a Director of the Company.

Accordingly, the requisite resolution for her appointment as a director of the Company. She will be a non-executive and non-independent director of the Company and is liable to retire by rotation. She will also

be the woman director to be appointed by the Company under Section 149 of the Companies Act, 2013. The Board place the resolution for the consideration of members.

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

None of the Directors or Key Managerial Personnel of the Company or their relatives other than the appointee director is in any way concerned or interested in the resolution.

ANNEXURE TO ITEMS 2 & 4 OF THE NOTICE

Details of Directors seeking re-appointing at the forthcoming Annual General Meeting
(in pursuance of Clause 49 of the Listing Agreement)

Name of the Director	Mr. Fredrick Ivor Bendle	Ms. Vijaypriya
Director Identification Number (DIN)	03156399	07172794
Date of Birth	06/04/1956	06/10/1976
Nationality	UNITED KINGDOM	INDIAN
Date of Appointment on Board	23/09/2014	30/04/2015
Qualification	CHARTERED ACCOUNTANT AND LAWYER	CHARTERED ACCOUNTANT
Shareholding in the Company	NIL	NIL
List of Directorship held in other Companies (excluding foreign, private and Section 8 Companies)	NIL	NIL
Memberships / Chairmanships of Audit and Stakeholders Relationship Committees across Public Companies.	NIL	NIL

By order of the Board

For **California Software Company Limited**

Chennai
24th July 2015

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 2014-15.

1. FINANCIAL RESULTS

All figures in ₹ Crores except for EPS

Details	Consolidated		Standalone	
	Year ended 31-Mar-15	Year ended 31-Mar-14	Year ended 31-Mar-15	Year ended 31-Mar-14
Total Revenues	3.69	7.22	3.63	7.20
Total Expenses	17.75	27.85	17.24	26.30
Profit before exceptional and extra-ordinary items and tax	(14.05)	(20.63)	(13.61)	(19.10)
Exceptional items	1.05	(6.20)	(1.49)	(0.55)
Profit before extraordinary items and tax	(15.10)	(14.43)	(12.12)	(18.56)
Profit before Tax	(15.10)	(14.43)	(12.12)	(18.56)
Current Tax	Nil	Nil	Nil	Nil
Deferred Tax	Nil	Nil	Nil	Nil
Loss for the year	(15.10)	(14.48)	(12.12)	(18.56)
Minority Interest	Nil	Nil		
paid up equity capital	12.36	12.36	12.36	12.36
Earning per share (EPS) for the year (Rs)				
i) Basic	(12.21)	(11.71)	(9.80)	(15.01)
ii) Diluted	(12.21)	(11.71)	(9.80)	(15.01)

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

2. DIVIDEND

The Company and the Group incurred a loss for the year and have accumulated negative reserves as at the year end. The Directors therefore recommend that no dividend be paid in respect of the Financial Year 2014-2015.

3. BUSINESS UPDATE AND OUTLOOK

After the buyer for RVC Towers that was reported last year, failed to complete the transaction the company has been unable to secure an alternative buyer even at a reduced price. Demand for office space in Chennai continues to be weak due mainly to over-supply; whilst Rupee interest rates have continued to be held high both by the RBI and by the RVC mortgagee, who is concerned about the company's continuing ability to settle the interest and capital payments as they fall due, in the absence of sufficient income from rentals. As a result the company's only remaining business, that of letting out the floors of RVC Towers that it owns, has been loss making throughout the year and is totally dependent on continuing financial support from its major shareholder.

The company continues to look for tenants to fill the vacant floors of RVC Towers, and for a buyer of the building. Until it finds a buyer for RVC the shares of the company are not an attractive option for a partner seeking a reverse takeover due to the high loan interest and low rentals on RVC. At the date of this report we have a number of prospective buyers for the building with whom we are in preliminary talks.

RESULTS OF OPERATIONS

I - Consolidated Results

During the year, your Company on a consolidated basis with all its subsidiaries earned total revenue of ₹ 3.69 Crores as against ₹ 7.22 Crores earned during the previous year. The profit before tax during the year is ₹ (15.10) Crores as against ₹ (14.43) Crores for the previous year.

After taking into account the tax provisions and adjustments for minority interest, prior period adjustments and extraordinary items if any, the loss for the year is ₹ (15.10) Crores as against a loss of ₹ (14.48) Crores of the previous year.

II - Standalone Results

During the year, your Company on a standalone basis earned total revenue of ₹ 3.63 Crores as against ₹ 7.20 Crores earned during the previous year. The profit before tax during the year is ₹ (12.12) Crores as against ₹ (18.56) Crores of the previous year.

After taking into account the tax provisions and adjustments, the loss for the year was ₹ (12.12) Crores as against a loss of ₹ (18.56) Crores for the previous year.

4. REVIEW OF SUBSIDIARIES

I - CSWL, Inc. USA and its Subsidiaries

CSWL Inc and its subsidiaries has not earned any revenue of during the year, compared to US\$ 938,571 achieved during the previous year.

The subsidiary reported a loss of US\$ (43926) as compared to a profit of US\$ 833,275 last year.

The results of existing subsidiaries International Innovations, Waldron Ltd and AspireSoft Corporation are included for the full year under review.

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

II - 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 ₹ 0.002 Crores with loss of ₹ (2.71) Crores against the consolidated reported revenues of ₹ 0.016 Crores with a loss of ₹ (0.94) Crore of the previous year.

The Company and its subsidiaries 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. Frederick Ivor Bendle has been appointed as additional director with effect from 23rd September 2014. His appointment was confirmed at the Annual General Meeting held on 27th November 2014. He is retiring at this Annual General Meeting and being eligible offer himself for re-appointment.

Ms. Vijayapriya was appointed as Additional Director with effect from 30th April 2015 and hold office until the conclusion of this Annual General Meeting. The Company has received notice under Section 160 of the Companies Act, 1956 from a member proposing Ms. Vijayapriya as Director and a resolution for her appointment forms part of the Notice.

7. AUDIT RELATED MATTERS

7.1. Audit Committee

In terms of clause 49 of the listing agreement 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.

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

At the Annual General Meeting of the Company held on 27th November 2014, M/s. Tomy & Francis, Chartered Accountants (Firm Registration Number 010922S) were reappointed as the Statutory Auditors of the Company to hold office until the conclusion of this Annual General Meeting. Since the Company has time up to the year 2017 to comply with the provisions

relating to rotation of auditors as stipulated in Section 139 (2) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, it has decided to re-appoint the auditors for the financial year 2015-2016.

Accordingly, the appointment of M/s. Tomy and Francis, Chartered Accountants, as statutory auditors of the Company, is placed for approval by the shareholders. In this regard, the Company has received a certificate from the auditors to the effect that if they are reappointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013. The Audit committee and the Board of Directors recommend the appointment of M/s. Tomy and Francis Chartered Accountant as Auditors to hold office up to the conclusion of next 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.

On sale of RVC Towers we are unlikely to realize any more than is required to settle amounts due to Canara Bank, and so after a sale the company would be left with no rental incomes and therefore no income at all to meet its ongoing staff and administration costs. Unless we can find a buyer for the Company who can attribute some value to the company's listed status and who would be willing to make an offer for the entire share capital, a sale of RVC Towers would most likely trigger the winding up of the Company.
- Note No. 29 to the standalone financial statements and Notes to Fixed Asset schedule regarding Change in Depreciation Policy of Fixed Assets and resultant loss amounting to ₹ 58,64,486/- including prior period Depreciation of ₹ 50,21,028.00/-.

As per estimation of management no impairment of Fixed Assets was considered during the year 2014-15, since impairment losses on Fixed Assets were provided and recognized in the previous years. However, depreciation rates have been changed to amortise the depreciable value over the useful life as set out in Schedule II of Companies Act, 2013, equally, as the holding company is expected to use the same for letting out, which will be in tune with Schedule II of Companies Act 2013. Depreciation is charged on building based on the estimated remaining life period of 25 years from the date of valuation on 17-01-2013 by the approved valuer. Useful life of various assets is as given below estimating a residual value of 1% on original cost at the end of useful life.

Item	Useful life
Furniture & Fittings	10 years
Office Equipment	5 Years

Total additional depreciation charged to the profit and loss Account is ₹ 58,64,486/-.

3. Note No. 30 to the stand alone financial statement regarding write back of Account Payables to Aspire Communications P Ltd and Aspire Peripherals P Ltd, two wholly owned subsidiaries of the Standalone Company amounting to ₹ 253,45,879.00/-.

Since the company has fully stopped its principle business being Software Development and its sales and service and company have no trade receivables during the year.

Payables to Aspire Communications P Ltd and Aspire Peripherals P Ltd, wholly owned subsidiary of the company amounting to ₹ 253,45,879/- has been written back to Profit and loss account as Exceptional item as these companies have stopped all it activities.

4. Note no. 31 to the standalone financial statement regarding unsecured loans from Associate companies amounting to ₹ 246,936,135.00/-.

Auditors notes are self explanatory.

5. Company's Overseas subsidiary CSWL Inc and Indian subsidiary Aspire Communications P Ltd and it subsidiary Aspire peripherals P Ltd have stopped their operations fully. CSWL Inc has initiated Liquidation proceedings.

Those companies ceased to carry on any business operation and are in the process of liquidation.

7.4. Secretarial Audit

M/s.V.S.Sowrirajan & Associates, Company Secretaries-in-Practice were appointed as Secretarial Auditor for the financial year 2014-15. 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 Audit Report contain qualifications/adverse remarks with respect to which, we state the following:

- 1) In respect of delayed filing of forms, we have paid applicable additional fee and the same is considered as compliance
- 2) In respect of non-filing of forms, the company has noted the same and file these documents with applicable additional filing fee and ensure its due compliance
- 3) The women director was appointed with effect from 30th April 2015 and thus the requirement stipulated under Section 152 of the Companies Act,2013 is duly fulfilled. The delay was due to technical reasons since the concerned Director was allotted Director Identification Number only from that date.
- 4) Since the earnings of the company was only through Rental Income, the unaudited/audited financial results for various quarters were only submitted to Stock Exchanges and placed on the website of the company and not advertised in newspapers.

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

The 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 2014-15 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 & Clause 49 of the listing agreement, 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.

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 Clause 49 of the listing agreement and the provision of Section 177(9) read with Rule 7 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