California Software Company Limited

CIN: L72300TN1992PLC022135
Registered Office: Workflo, Greeta Towers, Industrial Estate, Perungudi, OMR Phase 1, Chennai 600096
Phone +91 94448 60882
Email: investor@calsoftgroup.com **www.calsoftgroup.com/www.calsof.com**

Realize Your Ideas

September 7, 2023

To

National Stock Exchange of India Limited
Symbol – CALSOFT
Exchange Plaza,
5th Floor, Plot No. C/1, G Block,
Complex Bandra (East), Mumbai - 400 051

BSE LIMITED
Security Code - 532386
PHIROZE JEEJEEBHOY TOWERS
DALAL STREET Bandra-Kurla
MUMBAI-400001

Dear Sir/Madam,

We are pleased to present the Annual General Meeting (AGM) report for the FY 2022-23. Kindly note that, now, we have included a few additional pages to provide a more comprehensive view of our performance, goals, and strategic direction.

The additional pages in this year's AGM report delve deeper into our operations, financial metrics, and other pertinent details.

We hereby assure you of our relentless commitment to excellence, innovation, and sustainable growth.

We look forward to sharing more successes in the forthcoming years.

We request you to take the aforesaid on records.

Thanking you.

Yours faithfully,
For California Software Company Limited

California Software Company Limited ★ Chennai

Dr. M Vasudevan
Managing Director

calsoft

ANNUAL REPORT 2022-23



DISRUPTIVE TECHNOLOGIES

Empowering small businesses

Let's build a new market together aligning technology, history, future, robots and people.



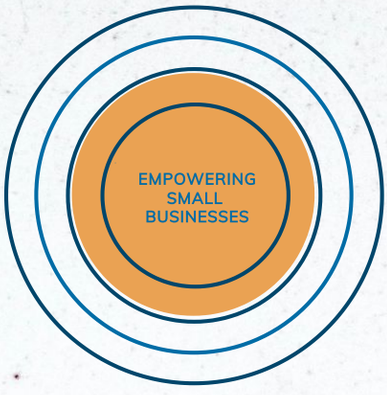
CALIFORNIA SOFTWARE COMPANY LIMITED

CHENNAI, INDIA

Disruptive Technologies can significantly impact industries and markets by replacing established technologies, processes, or business models. Technologies like AI, machine learning, Web3, and automation can significantly improve productivity by taking over mundane, repetitive tasks, allowing small business owners and employees to focus on more value-added activities.

Cutting out the middleman through e-commerce or direct-to-consumer models allows small businesses to capture more value from each transaction.

In summary, disruptive technologies can empower small businesses in numerous ways, from lowering operational costs to expanding market reach and fostering innovation. These technologies act as levelling tools, enabling smaller enterprises to compete directly with larger, more established competitors.



Board of Directors

Mr. Fredrick Bundle	: Chairman
Dr. Mahalingam Vasudevan	: Managing Director & CEO
Dr. V. Manimala	: Executive Director & CFO
Mr. Vijayakumar Madhavan	: Executive Director
Ms. AVN. Srimathi	: Woman Independent Director
Dr. R. S. Chandan	: Independent Director
Dr. B. Duraisamy	: Independent Director
Dr. Ashok Godavarthi	: Independent Director
Mr. M. Sampath	: Independent Director

Registrars and Share Transfer Agent

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

Secretarial Auditor

S. Dhanapal and Associates
Practicing Company Secretaries

Financial Auditor

M/s. K. Gopal Rao & Co.,
Chartered Accountants (Firm Registration No. 000956S)

Stock Exchanges

National Stock Exchange of India Limited
BSE Limited

Registered Office & Corporate Office:

California Software Company Limited,
Workflo, Greeta Towers,
Industrial Estate, Perungudi, OMR Phase I
Chennai 600 096
Contact Nos: +91- 94448 60882
Email for shareholders: investor@calsoftgroup.com
Website: www.calsof.com / www.calsoftgroup.com

calsoft EMPOWERING SMALL BUSINESSES

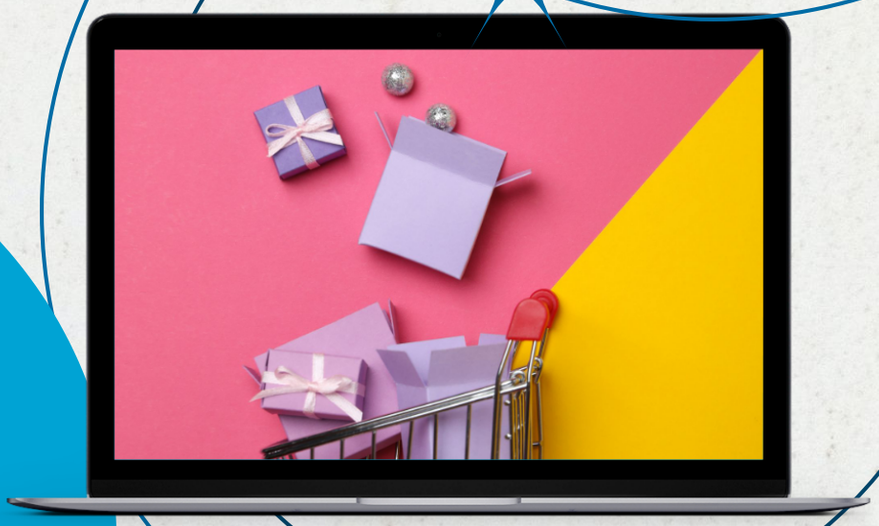


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Dear Stakeholders,

Calsoft has been in the tech industry for three decades now. During 32 years in the industry and the journey has taught us plenty. Technology has become a great equaliser. Disruptive technologies like artificial intelligence, blockchain, cloud computing, and the Internet of Things (IoT) are no longer just for the Silicon Valley giants; they have become accessible and applicable for small businesses.

As we navigate these complex and rapidly changing times, I am increasingly excited and optimistic about the future. Particularly, the future of small businesses beckons our attention and action. Historically, small businesses have been the lifeblood of our economy, contributing to more than half of the GDP and creating a significant proportion of new jobs. However, they have always operated under constraints—limited resources, market access, and technical capabilities—that large corporations do not face to the same extent.

We are at a pivotal moment in history. Through the strategic deployment of disruptive technologies, we have the opportunity to elevate small businesses and redefine the ecosystem in which they operate. The future is about competition and collaboration, where small and large enterprises work together to create a more sustainable and equitable world.

Thank you for your continued trust and partnership as we embark on this exhilarating journey together.

Best regards,
Frederick Bendle
Chairman



Dear Team Members, Partners, and Esteemed Stakeholders,

As we stand at the intersection of tradition and innovation, I am filled with enthusiasm for the boundless possibilities that lie ahead. While large corporations often dominate headlines, we must never forget that small businesses are the engine that fuels our economy. They account for significant job creation, inject vitality into local communities, and are often the birthplace of ground-breaking ideas.

In recent years, we've witnessed an unprecedented acceleration in technological advancements. While these disruptive technologies have the potential to transform industries at large, they hold a unique promise for small businesses, a promise that allows them to supersede traditional limitations and grow exponentially.

As the CEO of Calsoft, I consider it our moral and strategic imperative to empower small businesses in harnessing these disruptive technologies. Over the next year, we will launch a series of initiatives aimed at knowledge-sharing, resource allocation, and community-building to assist small business owners in this journey.

As someone who started my own career in a small business, I understand the hurdles these enterprises face. With our technological expertise and market reach, we are uniquely positioned to help small businesses unlock their full potential. It is not merely an opportunity but an obligation to drive change and create a more equitable landscape where businesses, regardless of size, can compete, innovate, and thrive.

Thank you for being a part of this exciting journey. We can create a new paradigm of success and inclusion for all.

Warm regards,
Dr. M. Vasudevan
CEO

We at Calsoft strictly follow:



2%

Reduction of waste

5%

Reduction in carbon footprints

Creating Shared Value

Connecting through our hands



Financial Review



Strategy



Corporate Governance



Innovating for a changing world

NOTICE TO THE SHAREHOLDERS



Notice is hereby given that the **Thirty First (31st) Annual General Meeting** of California Software Company Limited (CIN: L72300TN1992PLC022135) will be held on **Friday, September 29, 2023, at 01.30 PM** at the registered office of the Company situated at Workflo, Greeta Towers, Industrial Estate, Perungudi OMR Phase 1, Chennai - 600096, through video conferencing (VC)/Other Audio-Visual Means (OAVM) to transact the following business:

ORDINARY BUSINESS

1. To receive, consider, and adopt the audited standalone and consolidated financial statement the Company comprising of the audited balance sheet as of March 31, 2023, the statement of profit and loss, and the cash flow statement for the year ended on that date and the reports of the Board and Auditors' thereon.

2. To appoint a Director in place of Mr. Vijayakumar (DIN: 07892448), Whole-Time Director of the Company, who retires by rotation and being eligible, offers himself for re-appointment and in this regard, pass the following resolution, with or without modification/s as an Ordinary Resolution

"RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Vijayakumar (DIN: 07892448), who retires by rotation at this meeting and being eligible, has offered himself for reappointment, be and is hereby re-appointed as Director of the Company liable to retire by rotation."

3. To appoint statutory auditors and fix their remuneration

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (Including any statutory modification(s) or re-enactment thereof), and pursuant to the recommendation of the Audit Committee, M/s. K. Gopal Rao & Co., Chartered Accountants (Firm Registration No. 000956S), be and are hereby appointed as the statutory auditors of the Company for a period of five years to hold office from the conclusion of this 31st Annual General Meeting (AGM) until the conclusion of the 36th Annual General Meeting, on the remuneration of Rs. 6 Lakhs per annum."

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the board of directors of the Company be and is hereby authorised to take all such steps and actions and give such directions as may, in its absolute discretion, be deemed necessary and to settle any question or difficulty that may arise in this regard."

SPECIAL BUSINESS

4. To re-appoint Dr. Vasudevan Manimala (DIN:01980557) as Executive/Whole-Time 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 and in accordance with the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013, including any statutory modification or re-enactment thereof for the time being in force, ("the Act"), read with Schedule V thereto, and subject to the requisite approval of the Central Government, consent of the Company be and is hereby accorded to the re-appointment of Dr. Manimala Vasudevan (DIN: 01980557) as the Executive/Whole-Time Director of the Company for a period of 5 (five) years effective June 08, 2023 on the terms and conditions of appointment and remuneration as contained in the draft agreement, material terms of which are set out in the explanatory statement attached to this notice and the Board of Directors be and is hereby authorised to alter and vary such terms of appointment and remuneration as may be agreed upon with Dr. Manimala Vasudevan, subject however to the overall ceiling on remuneration specified in the said Schedule V and other applicable provisions of the said Act for the time being in force."

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

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

By order of the Board
For CALIFORNIA SOFTWARE COMPANY LIMITED

Dr. Mahalingam Vasudevan
Managing Director
DIN: 01608150

Date: September 06, 2022
Place: Chennai

Registered Office:
Workflo,
Greeta Towers, Industrial Estate,
Perungudi
OMR Phase 1, Chennai-600096

Notes:

1. Given the continuing COVID-19 global pandemic and social distancing norms, the Ministry of Corporate Affairs has issued General Circular No. 02/2022 and No. 03/2022, dated May 05, 2022 read with General Circular No. 20/2020 dated May 05, 2020, read with Circular No.14/2020 dated April 08, 2020, and CircularNo.17/2020 dated April 13, 2020, Circular No.02/2021 dated January 13, 2021, allowing conducting of AGM through Video Conferencing ("VC") or other Audio Visual Means ("OAVM") without the physical presence of the members for the meeting at a common venue. In terms of the said Circulars and in compliance with the provisions of the Companies Act, 2013 and SEBI circular SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022; and Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023, and relevant circular of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the AGM of the Company is being held through VC / OAVM. Hence, Members can attend and participate in the AGM through VC / OAVM only. In accordance with the Secretarial Standard-2 on General Meeting issued by the Institute of Company Secretaries of India (ICSI) read with guidance/ clarification dated April 15, 2020, issued by ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the AGM. The detailed procedure for participating in the meeting through VC / OAVM is appended herewith and available at the Company's website: www.calsof.com.

2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, Secretarial Standards - 2 on General Meetings and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, setting out material facts in respect of the Special Businesses to be transacted at the 31stAnnual General Meeting is annexed hereto.

3. Since this AGM is being held through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM; hence, the Proxy Form and Attendance Slip are not annexed to this Notice. However, Body Corporate is entitled to appoint authorised representatives to attend the AGM through VC/OAVM participation and vote through e-voting. Corporate members intending to attend/vote at AGM through VC / OAVM by their respective authorised representative(s) pursuant to Section 113 of the Companies Act, 2013 are requested to send their Certified True Copy of the resolutions/ Power of Attorney to the Scrutinizer by e-mail at secretarial@csdhanapal.com with a copy marked to RTA yuvraj@integratedindia.in and calsoftsecretarial@gmail.com authorising their representatives to attend and vote on their behalf at the Annual General Meeting of the Company and to vote through remote e-voting.

4. During the year M/s. M.K. Dandeker & Co., Chartered Accountants (Firm Registration No. 000679S) resigned as the Company's Statutory Auditor. The casual vacancy created by this resignation was filed by appointing M/s. K. Gopal Rao & Co., Chartered Accountants (Firm Registration No. 000956S)by the Board and subsequently approved by the members via postal ballot. At this AGM, the resolution for the appointment of M/s. K. Gopal Rao & Co., Chartered Accountants (Firm Registration No. 000956S) as the Company's Statutory Auditors for five years is placed before the members for their approval.

5. The Register of Members and the Share Transfer Books will remain closed from Friday, September 22, 2023, to Friday, September 29, 2023 (both days inclusive) for the purpose of the Annual General Meeting for the financial year 2022-2023.

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

7. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_ RTAMB/P/CIR/2022/8 dated January 25, 2022, has mandated the listed companies to issue securities in dematerialised form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company's website at www.calsof.comand on the website of the Company's Registrar and Transfer Agents, www.integratedindia.in. It may be noted that any service request can be processed only after the folio is KYC Compliant.

8. SEBI vide its notification dated January 24, 2022, has mandated that all requests for transfer of securities, including transmission and transposition requests, shall be processed only in dematerialised form. Given the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members holding shares in physical form are requested to consider converting their holding to dematerialised form. Members can contact the Company or M/s Integrated Registry Management Services Private Limited for assistance.

9. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Therefore, members holding shares in electronic form are requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/ACL. Shareholders are requested to note that furnishing of a Permanent Account Number (PAN) is now mandatory in the following cases:

- Legal Heirs'/Nominees' PAN Card for transmission of shares
- Surviving joint holders' PAN Cards for deletion of the name of deceased Shareholder, and
- Joint Holders' PAN Cards for transposition of shares

10. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.,

For shares held in electronic form: to their Depository Participants (DPs)
For shares held in physical form: to the Company's Registrar and Transfer Agent in prescribed Form ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/ CIR/2021/655 dated November 3, 2021.

11. Members are requested to address all correspondence to the Company's Registrar and Share Transfer Agents (RTA) viz., M/s.Integrated Registry Management Services Private Limited, 2nd Floor, Kences Towers, 1, Ramakrishna Street, North Usman Road T Nagar, Chennai - 600017 India (yuvraj@integratedindia.in) or to the Company at its Registered Office at Workflo, Greeta Towers, Industrial Estate, Perungudi OMR Phase 1, Chennai-600096.

12. Members holding shares in physical form can avail of the nomination facility by filing Form SH-13, as prescribed under section 72 of the Companies Act, 2013 and the Rules made thereunder, with the Company's Registrar and Share Transfer Agent. Members holding shares in demat form may contact their respective Depository Participants (DPs) to avail of this facility.

13. Pursuant to Sections 101 and 136 of the Companies Act, 2013 read with Rule 18 (1) of the Companies (Management and Administration) Rules, 2014, the Notice calling the 31st AGM along with the Annual Report for the financial year 2022-2023 is being sent in electronic mode to all the Members who have registered their e-mail ID's with the Company/Depository Participants for communication purposes.

14. In line with the MCA circulars, the Notice convening the 31st AGM and explanatory statement ('the Notice') and the Company's Annual Report for the Financial Year 2022-23 is available on the Company's website at www.calsof.com. The Notice and Annual Report of the Company is also hosted on the website of stock exchanges where the shares of the Company are listed, i.e. BSE Limited (www.bseindia.com) and National Stock Exchange of India Limited (www.nseindia.com) and also on the website of National Depository Services (India) Limited ("NSDL") (agency for providing the VC/ OAVM facility/Remote e-Voting and e-voting system during the AGM) i.e., www.evotingindia.com. For any communication, the shareholders may also send requests to the following mail ID: calsoftsecretarial@gmail.com.

15. The Company has appointed National Depository Services (India) Limited ("NSDL") to provide a facility for voting through remote e-voting for participation in the 31st AGM through VC/OAVM Facility and e-voting during the 31st AGM of the Company;

16. Attendance of the members attending the AGM through VC/OAVM shall be counted to reckon the quorum under Section 103 of the Act.

17. The facility of joining the AGM through VC / OAVM shall be open before Fifteen (15) minutes of the time scheduled for the AGM. It will be kept open until the expiry of Fifteen (15) minutes after the scheduled meeting commencement, as stated in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on a first come, first served basis. The large members (i.e. members holding 2% or more shareholding), promoters, institutional investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc., are allowed to attend the Meeting without restriction on account of first-come first-served basis.

18. The Members are requested to note that the Company has arranged a Video Conferencing Facility (VC) for the proceedings of the AGM through the Cisco Webex platform. Members may use this facility using the login credentials provided for remote e-voting. On the day of the AGM, members will log in through their user ID and password on the e-voting website of NSDL. The link/tab will be available in the Member login, where the EVEN of the Company will be displayed.

19. The Company's Board of Directors, at their Meeting held on Wednesday, September 06, 2023, had appointed M/s. S Dhanapal & Associates LLP, Practicing Company Secretaries, having an address at Suite No.103, First Floor, Kaveri Complex, 96/104, Nungambakkam High Road, (Next to NABARD & ICICI Bank), Nungambakkam, Chennai - 600034 as the Scrutinizer to scrutinise the remote e-voting and the e-voting at AGM in a fair and transparent manner.

20. The scrutiniser shall, immediately after the conclusion of the e-voting at the Annual General Meeting, first count the votes cast at the Meeting, thereafter unblock the votes cast through remote e-voting and make, submit not later than 48 hours from the conclusion of the Meeting, a Consolidated Scrutinizer's Report of the total votes cast in favour or against, to the Chairman or in his absence any other Director or Key Managerial Personnel as authorised by the Chairman of the AGM, who shall countersign the same.

21. The results of voting will be declared within 48 hours from the conclusion of the Annual General Meeting. The results declared along with the Consolidated Scrutinizer's Report shall be placed on the Company's website, www.calsof.com and www.evotingindia.com. Further, the results shall be displayed on the Company's Notice Board at its Registered Office and posted on the Company's website. It shall also be communicated to stock exchanges where the Company's shares are listed.

22. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and all other documents referred to in the notice will be available for inspection during the business hours on all working days without any fee by the Members from the date of circulation of the Notice up to the date of AGM i.e. September 29, 2023. Members seeking to inspect such documents can send an email to calsoftsecretarial@gmail.com.

23. Since the AGM will be held through VC/ OAVM, the Route Map of the Venue of the AGM is not annexed to this Notice

24. The amount of dividend which remains unclaimed for a period of 7 years would be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government and pursuant to the provisions of Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended ('IEPF Rules'), all the shares on which dividends remain unpaid or unclaimed for a period of seven consecutive years, or more shall be transferred to the Demat account of the IEPF Authority as notified by the Ministry of Corporate Affairs. As the Company has not declared any dividend for the year 2015-16, the transfer of the amount of dividend that remains unclaimed for a period of 7 years to the IEPF account and the shares on which dividends remain unpaid or unclaimed for a period of seven consecutive years or more to the Demat account of IEPF Authority does not arise;

25. For receiving the Notice and all other communications from the Company electronically, Members holding shares in physical mode and who have not registered/updated their email address with the Company are requested to register/update the same by writing to the Registrar and Transfer Agent (RTA) of the Company, M/s Integrated Registry Management Services Private Limited, email id: yuvraj@integratedindia.in with details of folio number and attaching a self-attested copy of PAN card;

- Members holding shares in dematerialised mode are requested to register/update their email addresses with the relevant Depository Participant (DP).
- If there is any change in the e-mail ID already registered with the Company/ RTA, Members are requested to immediately notify such change to the Company / RTA in respect of shares held in physical form and to DPs in respect of shares held in electronic form;

- 26. Members seeking any additional information on the subject matter to be placed at the AGM, are requested to write to the Company on or before September 15, 2023, through email at calsoftsecretarial@gmail.com. The same will be replied by the Company suitably through email

CALENDAR – AGM		
S.NO.	**PARICULARS**	**DATE**
1.	Cut-off Date For Eligibility of Voting for the AGM	Friday, September 22, 2023
2.	Book Closure Dates	Friday, September 22, 2023 to Friday, September 29, 2023
3.	Remote E-voting period	Tuesday, September 26, 2023 to Thursday, September 28, 2023
4.	Date & Time of AGM	Friday, September 29, 2023, 01.30 PM

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 provided by National Securities Depository Limited. (NSDL). The Company has appointed Mr. N. Ramanathan, Designated Partner, M/s. S Dhanapal& Associates LLP, Practicing Company Secretaries as scrutinisers for conducting the e-voting process fairly and transparently. The instructions for e-voting are detailed hereunder:

The voting rights of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as of the cut-off date being September 22, 2023.

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 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 the internet browser by typing the following URL: https://www.evoting.nsdl.com

iii. Click on “Shareholder-Login".

iv. Insert user ID and password as the initial password noted in the step above. Click Login.

v. Password change menu appears. Change the password with a new password of your choice with a minimum of 8 digits/characters or a combination thereof. Note the new password. It is strongly recommended not to share your password with anyone and take utmost care to keep it confidential.

vi. The home page of e-Voting opens. Click one-Voting: Active E-voting Cycles.

vii. Select "EVEN" of California Software Company Limited.

viii. Now you are ready for e-voting as the Cast Vote page opens.

ix. Cast your vote by selecting the appropriate option and clicking "Submit" and "Confirm" when prompted.

x. Upon confirmation, the message "Vote cast successfully" will be displayed.

xi. You cannot modify your vote Once you have voted on the resolution.

xii. For the votes to be considered valid, the institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority Letter together with an attested specimen signature of the duly authorised signatory(i.e.) who are authorised to vote, to the Scrutinizer through e-mail at calsoftsecretarial@gmail.comwith a copy marked to evoting@nsdl.co.in

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

i. The initial password is provided as below/at the bottom of the attendance Form.

R EVEN (Remote- e Voting Event Number)	(i) USERID	PASSWORD/PIN

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

C. Instructions for members for attending the AGM through VC/OAVM are as under

- Members will be able to attend the AGM through VC/ OAVM provided by National Securities Depository Limited. (NSDL) by accessing the same at https://www.evoting.nsdl.com and click on the "video conference" and access the members' login by using the remote e-voting credentials. The link for e-AGM will be available in members' login where the EVENT and the name of the company can be selected;

- Please note that the members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned above

- The facility of joining the AGM through VC/OAVM shall opened 30 (thirty) minutes before the time scheduled for the AGM and shall be kept open throughout the proceedings of the AGM.

- Members will be allowed to attend the AGM through VC/OAVM on a first come, first served basis

- Members will be required to allow "camera" and use the internet at a good speed to avoid any disturbance during the meeting;

- Please note that participants connecting from mobile devices or tablets or through a laptop connecting via mobile hotspot may experience Audio/Video loss due to fluctuations in their respective networks. It is therefore recommended to use a stable Wi-Fi or LAN Connection to mitigate any aforementioned glitches;

- AGM Questions prior to e-AGM: Members who want to express their views/ask questions during the meeting may log into https://www.evoting.nsdl.com and click “Post your Questions”. Thereafter, the members may post their queries/views in the window provided by mentioning the name, demat account number/folio number, email id, and mobile number. The “Post your Questions” link shall commence on Friday, September 22, 2023 (10:00 AM) and ends on Saturday, September 23, 2023 (5:00 PM).

- Speaker Registration during the e-AGM session: Members registered as speakers will only be allowed to express their views/ask questions during the AGM. Members who want to express their views or ask questions during the AGM may register by logging on to https://www.evoting.nsdl.com and clicking “Speaker Registration”. You must mention the demat account/folio number, city, email ID, and mobile number and then click submit. The speaker registration shall commence on Friday, September 22, 2023 (10:00 AM) and ends on Saturday, September 23, 2023 (5:00 PM). The Company reserves the right to restrict the number of speakers depending on the time availability for the AGM.

- Members who need assistance before or during the AGM can contact Mr. Vijayakumar (Whole Time Director) at +91-90920-53888

General Guidelines for Members

i. In case the member is a Body Corporate/Institution, then they are requested to send a scanned copy (PDF/JPG format) of its board or governing body resolution/authorization, authorizing its representative(s) to attend the AGM through VC/OAVM on its behalf and vote through remote e-voting. The said resolution/authorization shall be emailed to the Scrutinizer at secretarial@csdhanapal.com and copy-marked to calsoftsecretarial@gmail.com

ii. It is strongly recommended not to share your password with anyone and take utmost care to keep it confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you must reset the password using the "Forgot User Details/Password?" or "Physical User Reset Password?" option on www.evoting.nsdl.com.

iii. A Member can vote either by remote e-voting or at the AGM. If a Member votes by both modes, the votes cast through remote e-voting shall prevail, and the votes cast at the AGM shall be considered invalid.

iv. The voting rights of the Members shall be in proportion to their share of the paid-up equity share capital of the Company as of September 22, 2023 ('Cut-Off Date').

v. Any person who acquires shares of the Company and becomes a Member of the Company after the dispatch of the AGM Notice and holds shares as on the cut-off date, i.e. September 22, 2023, may obtain the login Id and password by sending a request at evoting@nsdl.co.in. However, if you are already registered with NSDL for remote e-voting, you can use your existing user ID and password to vote. If you have forgotten your password, you may reset your password by using the "Forgot User Details/Password" option available on www.evoting.nsdl.com.

D. 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. iYou 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 Tuesday, the September 26, 2023 (10:00 AM) and ends on Thursday, September 28, 2023 (5:00 PM). During this period, members of the Company, holding shares either in physical form or in dematerialised form, as of the September 22, 2023 cut-off date, may cast their vote electronically. NSDL shall disable the e-voting module for voting thereafter. Once the member casts the vote on the solution, the member shall not be allowed to change it.
v. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
vi. The result declared along with the Scrutinizer's Report shall be placed on the Company's website, www.calsof.com and on the website of NSDL https://www.evoting.nsdl.com immediately. The Company shall simultaneously forward the results to the National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed.

By order of the Board
For CALIFORNIA SOFTWARE COMPANY LIMITED

Dr. Mahalingam Vasudevan
Managing Director
DIN: 01608150

Date: September 06, 2022
Place: Chennai

Registered Office:
Workflo,
Greeta Towers, Industrial Estate,
Perungudi
OMR Phase 1, Chennai-600096

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

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

Item No.4

Dr. Vasudevan Manimala was appointed as an Executive/Whole-Time Director w.e.f June 08, 2018 for five years. Since her tenure expired on June 07, 2023, the resolution for her re-appointment is placed before the members in Item No. 4 of the AGM Notice for their approval.

The Board of Directors approved the re-appointment of Dr. Vasudevan Manimala at their meeting held on September 06, 2023 pursuant to the recommendation of the Nomination and Remuneration Committee in its meeting held on September 06, 2023.

Dr. Vasudevan Manimala is not disqualified from being appointed as an Executive/Whole-Time Director in terms of Section 164 of the Act and has given her consent to act as a Managing Director. Based on the recommendation of the Nomination and Remuneration Committee and keeping in view her rich and wide experience, the Board of Directors is of the opinion that it will be in the interest of the Company that

- Dr. Vasudevan Manimala is re-appointed as Executive/Whole-Time Director of the Company
- The Board recommends an Ordinary Resolution as set out in Item No.4 of the Notice for approval of members.
- Except for Mr. Mahalingam Vasudevan, none of the Company's Directors, Key Managerial Personnel, and their respective relatives are interested in the resolution in Item No.4.

DETAILS OF DIRECTOR SEEKING APPOINTMENT / RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING IN ACCORDANCE WITH REGULATION 36 (3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARDS 2 (SS 2) ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA

Particulars	Item No. 2	Item No. 4
Name	Vijayakumar	Vasudevan Manimala
Age	53 years	51 years
Nationality	Indian	Indian
Date of birth	04/06/1970	06/05/1972
Qualification	MCA.,MBA.	M. Sc., Ph.D.
Experience	Business Analysis, Testing and Validation of Software's and Finance management	Software, Healthcare, Business administration
Date of first appointment on the Board	08/06/2018	08/06/2018
Terms and conditions of appointment or re-appointment along with details of remuneration sought to be paid and the remuneration last drawn by such person, if any	Appointed as Whole time Director for a period of five years and liable to retire by rotation	Re-appointed as Whole-Time Director for a period of five years and liable to retire by rotation
Shareholding in the company as on 31.03.2023	2,06,363	Nil
Relationship with other Directors, Managers and other Key Managerial Personnel of the Company	Not related to any Directors and KMPs of the company	Spouse of Mahalingam Vasudevan, Managing Director
The number of Meetings of the board attended during the year	7	7
Other Directorships, Membership / Chairmanship of Committees of other Boards	1. Global Allied Pharmaceuticals Private Limited - Director 2. Hysynth Bio Technologies Private Limited-Director	1. Global Allied Pharmaceuticals Private Limited-Director 2. Rhys Healthcare Private Limited-Director 3. Rhys Laboratories Private Limited-Director 4. Hysynth Bio Technologies Private Limited-Director

By order of the Board
For CALIFORNIA SOFTWARE COMPANY LIMITED

Dr. Mahalingam Vasudevan
Managing Director
DIN: 01608150

Date: September 06, 2022
Place: Chennai

Registered Office:
Workflo,
Greeta Towers, Industrial Estate,
Perungudi
OMR Phase 1, Chennai-600096

MANAGEMENT DISCUSSION AND ANALYSIS

MANAGEMENT DISCUSSION AND ANALYSIS

Dear valued shareholders and stakeholders,

We are pleased to present our report on the business and operations of your company and its working results for FY 2022-23. Throughout this period, we made significant progress in our efforts to strengthen the company's position for accelerated revenue growth. We took a series of dramatic steps to execute against that strategy, including strengthening our portfolio, expanding our partner ecosystem, and returning your company to growth.

During FY 2022-23, we intensified our focus on developing digital and analytics services, big data, blockchain, machine learning, IoT, cloud computing, gaming, DeFi, NFT, artificial intelligence (AI) and analytics, intelligent process automation, industry and platform solutions, and interactive customer experiences.

As a result, we enter 2023-24 more strategically focused and technologically capable. We are integrating technology and expertise—from Calsoft, our partners, and even our competitors—to meet the urgent needs of our clients.

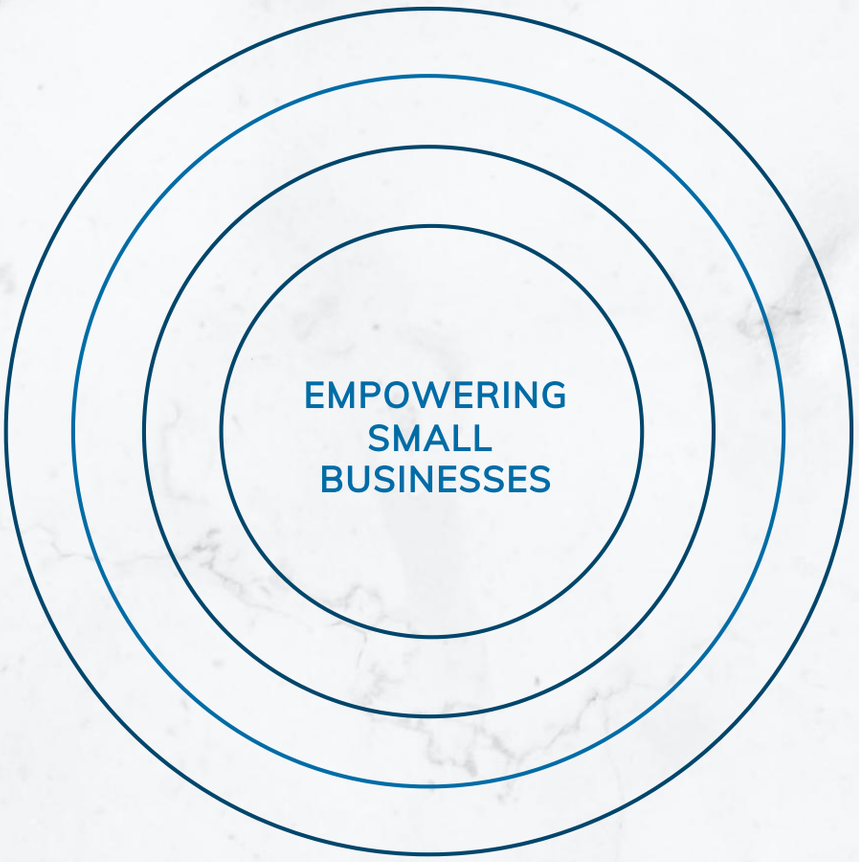
Today, Calsoft business is focused on providing end-to-end capabilities at scale across the full spectrum of professional services—spanning strategy, consulting, digital, blockchain, gaming, technology and operations. By combining Calsoft's capabilities across these businesses, Calsoft is uniquely positioned to drive large-scale transformation for clients. We are resolved to re-establish Calsoft as an industry leader and be the catalyst of progress for our clients as they pursue the digital transformation of the world's mission-critical businesses.

Empowering
Small Businesses

- Calsoft has the expertise and resources to offer a wide range of comprehensive, end-to-end IT services. With our integrated software and information services, we are able to tailor our solutions to meet the unique and diverse needs of our clients, delivering exceptional results every time.

- Calsoft has taken significant steps to empower small businesses by incorporating a wide range of cutting-edge technologies, including eCommerce, POS (Point-of-Sale) systems, omnichannel approaches, loyalty programs, CRM (Customer Relationship Management), Big Data, AI (Artificial Intelligence), analytics, blockchain, Virtual Reality (VR) and Web3. These technologies have proven to be invaluable tools for small businesses, helping them operate more efficiently and effectively than ever before.

- By integrating these technologies and systems, traders can optimize their operations, make data-driven decisions, increase customer satisfaction and loyalty, and stay ahead in a highly competitive market.



Calsoft has developed four distinct layers to empower small businesses and enhance their operations.

The first layer is focused on empowering traders through eCommerce, PoS, and

The second layer developed by Calsoft is aimed at empowering traders through the use of CRM, loyalty engine, and digital marketing



The third layer developed by Calsoft is focused on empowering traders through the use of big data and AI

The fourth and final layer developed by Calsoft is centered around the use of new-age technologies such as Web3, gaming, and blockchain

Empowering
Small Businesses

eCommerce

1. Global Reach: eCommerce platforms allow traders to reach a global audience, thus increasing sales opportunities.
2. Automated Operations: eCommerce solutions can automate many trading operations, including inventory management and invoicing.

POS Systems

1. Real-Time Inventory Management: Point-of-sale systems offer real-time tracking of sales and inventory, aiding in data-driven decision-making.
2. Customer Data: Collecting customer data at the point of purchase helps in personalized marketing and improves customer service.

Omnichannel Approaches

1. Customer Experience: Offering a seamless shopping experience across multiple channels (online, in-store, mobile, etc.) increases customer satisfaction and loyalty.
2. Data Collection: Multiple touchpoints allow traders to collect a plethora of customer data for better decision-making.



OUR COMPANY

We specialized in developing and implementing end to end e commerce platform for your business.

Our Next Generation and Highly Secured commerce Platform 'dSPEEDUp eCom, dINSPIRA, dULTIMA, dCHAT are based on Digital Transformation of E Commerce Solutions by AI Integration for B2B (business-to-business) and B2C(business-to-customer) segments.

OUR COMMITMENT TO INNOVATION HAS MADE US AS YOUR BUSINESS PARTNER.

OUR PLATFORMS

D-SPEEDUP

dSPEEDUp is all-on-one eCommerce solution is built on the idea that you should have access to the best possible set of tools, no matter the size of your business.

D-ULTIMA

dULTIMA's omni-channel business solution is all about providing an optimized and seamless consumer experience. It doesn't take platform, channel, or device into account. It focuses on the customer and the customer alone

D-INSPIRA

d-INSPIRA PoS helps the retailers for growing their business by managing inventory, processing payment, managing refunds, and returns, creating reports for analysing profits, etc.

Disruptive Technologies Empowering Small Businesses

The rapid evolution of disruptive technologies is indeed one of the most transformative and compelling narratives unfolding in today's world. The pace at which innovations like blockchain, artificial intelligence, and the Internet of Things are advancing has reached unprecedented levels. These technologies are not just reshaping entire industries; they are fundamentally altering the way we conduct business, engage with customers, and navigate the broader economic landscape.

The Democratization of Technology

Today, disruptive technologies such as Artificial Intelligence (AI), Blockchain, and the Internet of Things (IoT) are no longer the purview of large corporations. These technologies have become democratized, making it easier for small and medium-sized enterprises (SMEs) to leverage them for scalable growth.

Agility and Resilience Through Technology

The COVID-19 pandemic has accelerated the digital transformation journey for many businesses. Small enterprises, often regarded as the backbone of our economy, have shown remarkable agility and resilience. Cloud computing, for instance, has empowered them to work from anywhere, reducing overhead costs and increasing efficiency.



Our vision statement ''EMPOWERING SMALL BUSINESSES THROUGH DISRUPTIVE TECHNOLGIES'' encapsulates the essence of levelling the playing field for small businesses by providing them with the tools and technologies.



E-commerce and Digital Presence

Gone are the days when a physical storefront was the only avenue for business. SMEs are now building robust online platforms and utilizing social media channels to reach their customers. With cost-effective, highly targeted marketing solutions, even the smallest business can now dream of a global footprint.

Leveraging FinTech

Financial Technology, or FinTech, has been particularly impactful. It has granted SMEs access to simplified, flexible, and cost-effective financial solutions, allowing them to navigate cash flow issues, raise capital, or even conduct international transactions with ease.

How Calsoft Is Leading the Charge

We recognize the pivotal role these technologies play in reshaping businesses, and that's why we have aligned our strategies to facilitate this shift. Our focus on R&D and partnerships with tech innovators has put us at the forefront of delivering scalable solutions tailored for small businesses. We're not merely a spectator in this technological revolution; we are active contributors and beneficiaries.

We have embedded these technologies into our product offerings, making them accessible and affordable. Our platforms ensure that our clients, regardless of their size, can tap into the most sophisticated tools to solve their problems, drive efficiencies, and generate value.

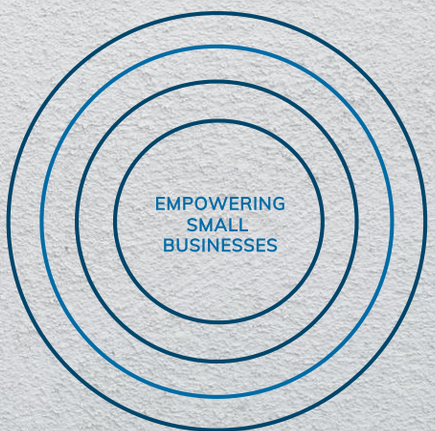
The Road Ahead

We are at an inflection point, where disruptive technologies are not merely influencing but dictating the future of business. We have the resources, the expertise, and, most importantly, the vision to lead in this new era. Together, let's grasp these opportunities to create lasting value for our shareholders, our clients, and society at large.



Leveraging the advancements in technology to create innovative products and services, Calsoft driving changes in the way people work and live.

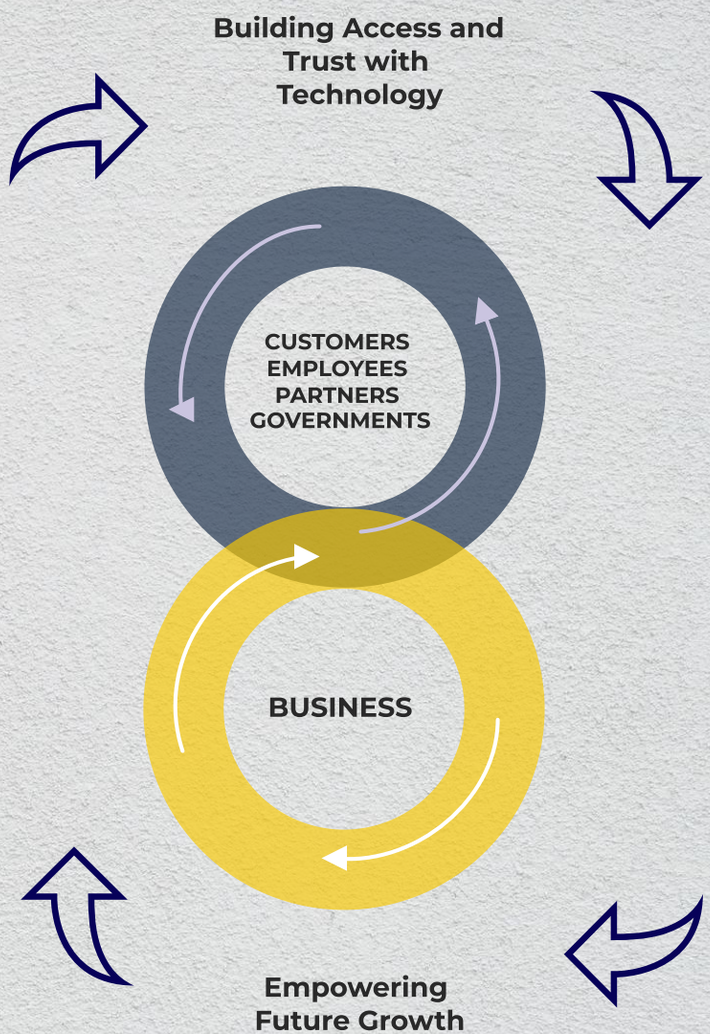
Calsoft using products and services to reshape and reimagine how our society works, communicates, and even governs. We weaving ourselves seamlessly into the fabric of how people live today. Calsoft's dSPEEDUp solution efforts to embed itself into consumer households. Through the dSPEEDUp solution is not just shopping needs, but also the daily demands of busy lives.



EMBEDDING OPPORTUNITY

Calsoft reached further than ever into people's lives, We've shaped society around our products and services.

Through new partnerships with customers, employees, partners, and even governments, Calsoft empowered to build ever-stronger access and trust. This trust will give inroads to further embed ourselves into society, becoming ever more indispensable—and empowering our own revolutionary growth.





INTELLIGENT ENTERPRISE UNLEASHED

Technology-based products and services have a tremendous impact on the way people work and live.

CITIZEN AI

Raising AI to Benefit Business and Society

As artificial intelligence grows in its capabilities—and its impact on people's lives—businesses must move to "raise" their AIs to act as responsible, productive members of society.

EXTENDED REALITY

The End of Distance

Virtual and augmented reality technologies are removing the distance to people, information, and experiences, transforming the ways people live and work.

INTERNET OF THINKING

Creating Intelligent Distributed Systems

Businesses are making big bets on intelligent environments via robotics, AI and immersive experiences. But to bring these intelligent environments to life, they must extend their infrastructures into the dynamic, real-world environments they want to reach.

EMPOWERING SMALL BUSINESSES

EMPOWERING SMALL BUSINESSES THROUGH DISRUPTIVE TECHNOLOGIES



Empowering small businesses through disruptive technologies involves the application of new or significantly improved technologies that change existing markets or create new ones. Disruptive technologies can offer small businesses opportunities for growth, competitive advantages, and improved customer experiences that were once reserved only for large corporations. Below are some ways in which disruptive technologies can empower small businesses:

EMPOWERING SMALL BUSINESSES THROUGH DISRUPTIVE TECHNOLOGIES

Cloud Computing
Affordable Scalability: Small businesses can rent server space and computing power as needed, without investing in physical hardware.
Collaboration: Cloud platforms make it easier to collaborate in real-time and share resources among a distributed team.

Artificial Intelligence (AI) and Machine Learning
Customer Service: Chatbots can handle a wide array of customer service queries 24/7.
Data Analysis: AI algorithms can make sense of large data sets, offering insights into customer behavior, market trends, and operational inefficiencies.

Internet of Things (IoT)
Inventory Management: IoT sensors can automatically track inventory levels and reorder supplies as needed.
Energy Efficiency: Smart thermostats and lighting systems can reduce utility costs.

Blockchain
Secure Transactions: Blockchain technology can facilitate secure and transparent financial transactions.
Supply Chain Verification: Small businesses can prove the authenticity and origin of their products.

Augmented and Virtual Reality (AR/VR)
Virtual Showrooms: Customers can experience products in a virtual space.
Training: AR can assist in more interactive and effective employee training.

Adopting disruptive technologies can give small businesses the tools they need to **compete in** an increasingly digital world. However, it's crucial to approach these **technologies thoughtfully,** taking into account the specific needs and capabilities **of** the business.

EMPOWERING SMALL BUSINESSES THROUGH DISRUPTIVE TECHNOLOGIES

E-commerce and Mobile Payments
Global Reach: Online platforms enable small businesses to reach a global audience.
Easy Transactions: Mobile payments like Apple Pay, Google Pay, and various cryptocurrency options make it easier for customers to make purchases.

Social Media and Digital Marketing
Customer Engagement: Social media platforms provide powerful tools for customer engagement and targeted advertising.
Reputation Management: Online reviews and feedback can be managed more effectively.

3D Printing
Rapid Prototyping: Small businesses can quickly create prototypes for new products.
Customization: Businesses can offer personalized products without the need for large-scale manufacturing.

Automation and Robotics
Reduced Labour Costs: Automation can take over repetitive tasks, reducing labour costs.
Quality Control: Robots can perform tasks with high precision, reducing errors.

"**Disruptive technologies** are the equalizers that arm small businesses with the tools and opportunities once exclusive to industry giants."



EMBRACING DISRUPTION FOR GROWTH AND INNOVATION

Challenging and Changing Business Models
To make the most of disruptive innovation, you must first identify the conventions within your current business model. Then, challenge and change them to create something new. This process involves taking risks and pushing the boundaries of the status quo.

Risk-taking and the Willingness to Disrupt the Status Quo
Disruptive technology may seem intimidating initially, but it can provide the tools to reinvent your organisation and create entirely new industries.

Adapting to Changing Markets
The business world is changing rapidly, so staying agile and adaptive is more critical than ever. Disruptive technologies can potentially change how companies operate and target new markets.



DISRUPTIVE TECHNOLOGIES AND SUSTAINABILITY

Environmental Impact of Disruptive Technologies

While disruptive technologies offer immense benefits, they also raise environmental concerns. Companies must consider the ecological impact of their innovations and prioritise sustainable practices to ensure a greener future.

Creating a Sustainable Disruption Strategy

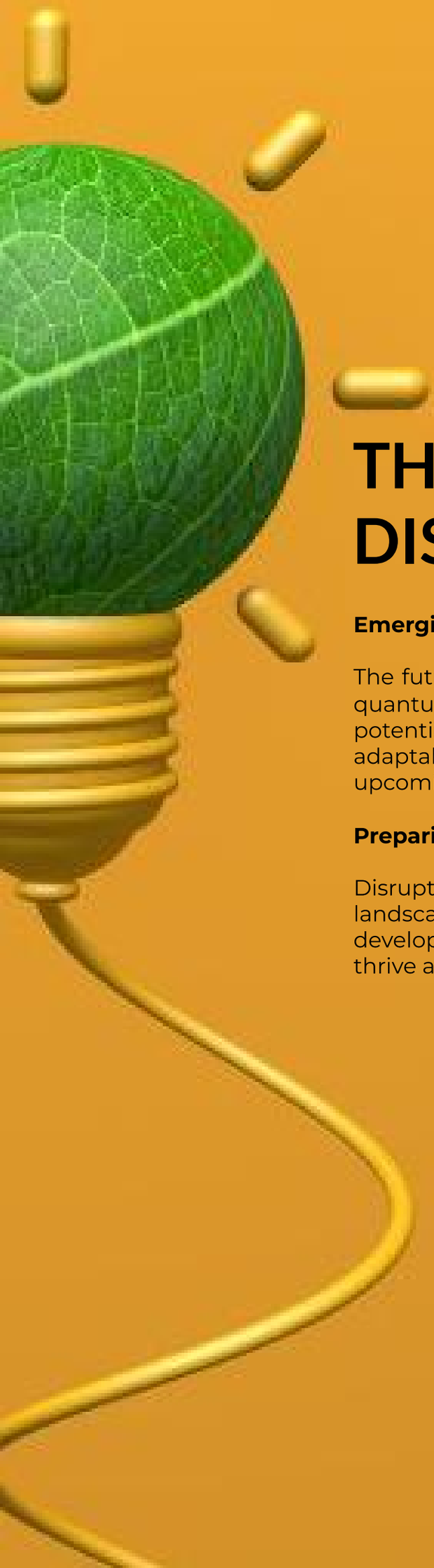
Balancing innovation and sustainability is crucial for long-term success. By integrating environmental considerations into their disruption strategy, companies can align their goals with the broader vision of a sustainable world.



EMBRACING DISRUPTION: ADAPTING BUSINESS MODELS

Creating a Culture of Innovation
Fostering a culture of innovation involves empowering employees to think creatively, take calculated risks, and share their ideas openly. Encouraging cross-functional collaboration and providing resources for experimentation can yield ground-breaking results.

Agile Business Strategies for Disruption
Adopting agile business strategies enables companies to respond quickly to market changes and consumer demands. By embracing flexibility and adaptability, businesses can pivot their models to leverage disruptive technologies effectively.



THE FUTURE OF DISRUPTION

Emerging Technologies and Their Potential Impact

The future holds numerous emerging technologies, such as quantum computing, 5G, and biotechnology, with the potential to redefine industries. Staying informed and adaptable is vital for businesses harnessing the power of upcoming disruptions.

Preparing for Constant Change and Evolution

Disruptive technologies will continue to shape the business landscape. Embracing change, fostering innovation, and developing a growth mindset will enable companies to thrive amidst uncertainty and emerge as industry leaders.

Empowering small businesses through e-commerce

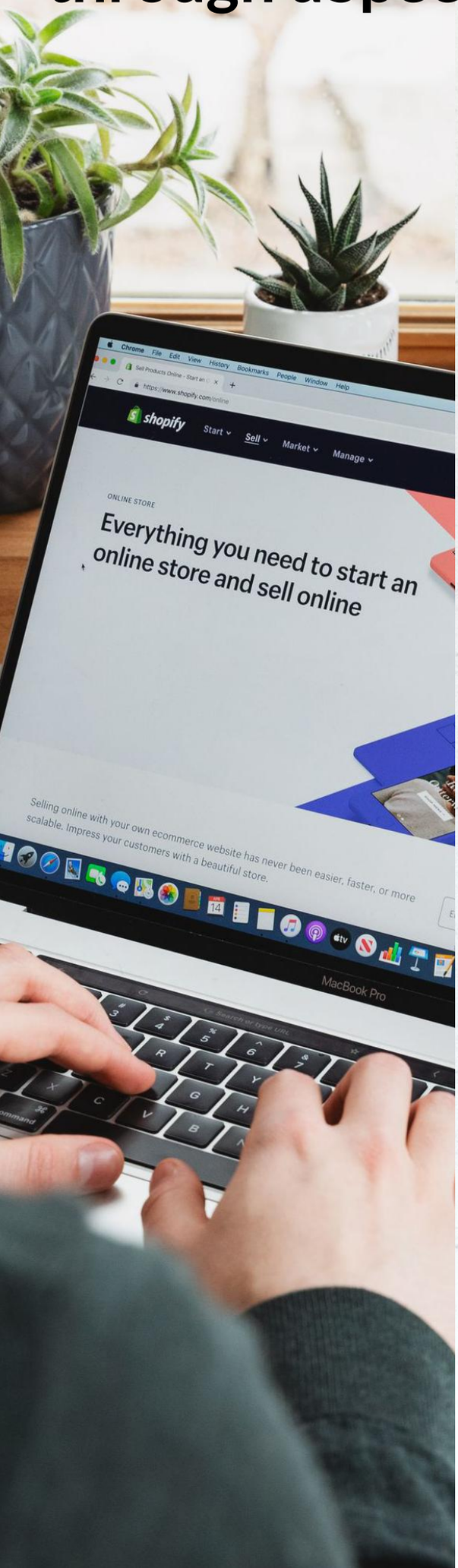
is more relevant today than ever, especially in the increasing globalisation and the rise of digital platforms. Small businesses often face numerous challenges, including limited resources, a restricted customer base, and the complexities of distribution and marketing. E-commerce can offer solutions to these challenges in a variety of ways:

dSpeedUp E-commerce Platform

E-commerce has made it easier than ever for small businesses to reach customers around the globe. Calsoft's dSpeedUp online platforms have democratised retail, allowing even niche businesses to sell their products to a broad audience without needing physical stores.



Strategies for Empowerment through dSpeedUp E-commerce



User-Friendly Website: The first impression matters. The website should be easy to navigate, mobile-friendly, and secure for online transactions.

Search Engine Optimization (SEO): Making the site searchable and easy to find can drive traffic and sales significantly.

Social Media Integration: Utilize platforms like Facebook, Instagram, and Twitter to create a robust online community around the brand.

Customer Service: Effective customer service is crucial for online businesses. Live chat options, quick email responses, and easy return policies can significantly enhance customer trust and satisfaction.

Local SEO: If the small business has a physical location, integrating local SEO can help the company show up in location-based searches, effectively bridging the online-offline gap.

Payment Options: Offering multiple payment options, including digital wallets and international payment options, can cater to a wider audience.

Quality Photography and Descriptions: High-quality images and detailed product descriptions can help compensate for the lack of tactile experience online.

Data Analytics: Use data analytics to understand consumer behavior, optimize product listings, and personalize marketing strategies.

Partnerships and Collaborations: Collaborating with other small businesses or influencers can expose the brand to new audiences at a fraction of the cost of traditional marketing strategies.

Community Building: Hosting events, workshops, or webinars can offer additional value to customers, helping to build a loyal community around the brand.

EMPOWERING RETAIL AND E-COMMERCE SOLUTIONS

calsoft
EMPOWERING SMALL BUSINESSES

TRENDS

Some of the latest trends that you can work into your long-term ecommerce strategy

INSIGHTS

Keep reading to explore the data. Business spotlights for insights on growth.



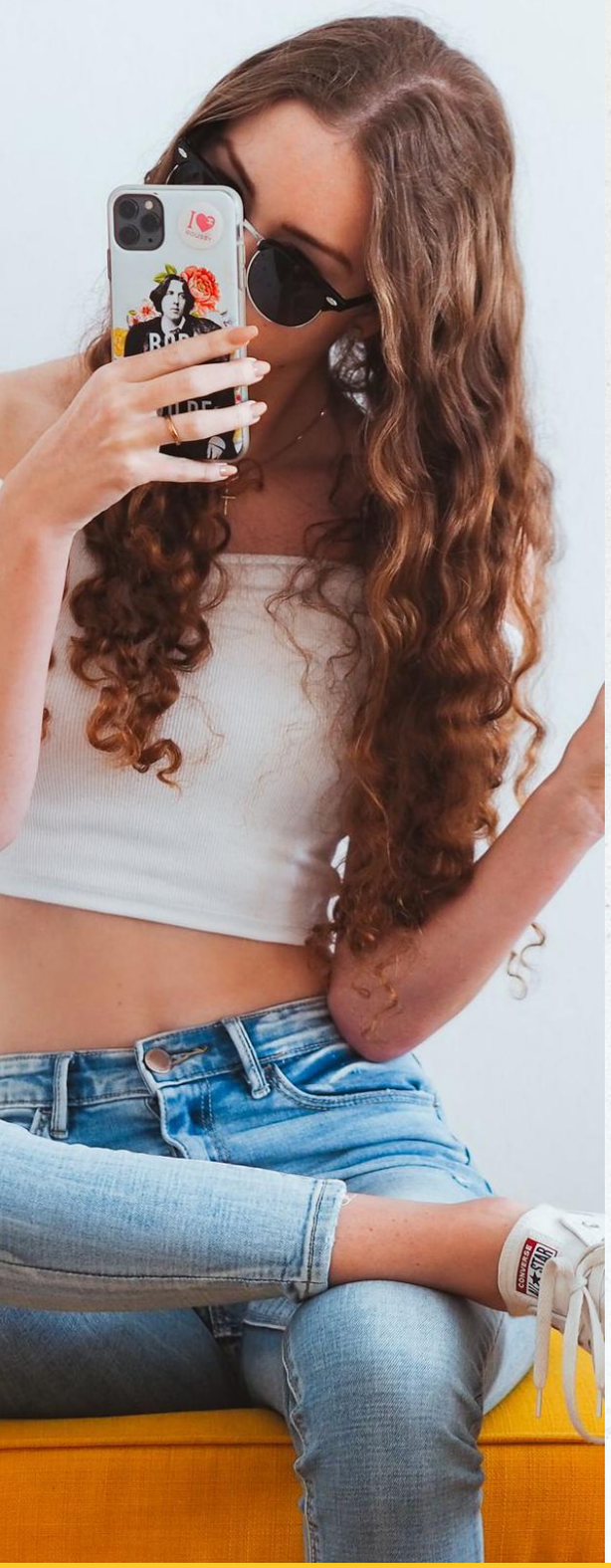
BIG DATA IN RETAIL AND ECOMMERCE

In retail, your success relies heavily on your ability to collect data, process it in real-time, and transform it into actionable solutions on supply chain management, price optimization, risk management, inventory management, merchandising.

Our big data retail analytics services will help you not just to collect, prepare, and process your data in real-time but also to draw meaningful insights from it, as well as discover new opportunities and industry risks. Based on these precious “products” of the wise “cooperation” of big data and retail or big data and eCommerce, you’ll be able to make smart business decisions.

Due to the explosive growth of eCommerce, the rise of the smartphone culture, and fierce competition, customer expectations change faster than you could even imagine. To keep up, you must be aware of changes in consumer behavior before they occur.





SOCIAL COMMERCE TRENDS AND INFLUENCERS' ROLE

In retail, your success relies heavily on your ability to collect data, process it in real-time, and transform it into actionable solutions on supply chain management, price optimization, risk management, inventory management, merchandising.

Our big data retail analytics services will help you not just to collect, prepare, and process your data in real-time but also to draw meaningful insights from it, as well as discover new opportunities and industry risks. Based on these precious "products" of the wise "cooperation" of big data and retail or big data and eCommerce, you'll be able to make smart business decisions.

BLOCKCHAIN ENABLED RETAIL AND E COMMERCE PLATFORMS

Complexity of network of data points in entire supply chain in a retail and e commerce is critical due to high customer expectations, product provenance, authenticity, traceability and inventory management are all pain-points which can lead to customer disappointment and wildly inefficient processes.

Our Blockchain enabled dUltima Omnichannel Platform allows merchants to bring transparency, real-time data and shared ledgers will enable to know where your stock is and where customers interact at any stage, anywhere in supply chain or selling channels.

EMPOWERING SMALL BUSINESS THROUGH ARTIFICIAL INTELLIGENCE (AI) AND ANALYTICS

Empowering small businesses through Artificial Intelligence (AI) and analytics can be a game-changing strategy. By integrating these technologies, small businesses can level the playing field, competing effectively with larger companies and optimizing their operations for maximum efficiency and profitability.

> By incorporating AI and analytics, small businesses can become more efficient, customer-centric, and competitive, ensuring long-term sustainability and growth.

EMPOWERING SMALL BUSINESS THROUGH ARTIFICIAL INTELLIGENCE (AI) AND ANALYTICS

Artificial intelligence (AI) is a fast-developing field of technology that has the potential to revolutionize many industries. One of AI's most pressing issues is whether it will eventually replace human intelligence. Still, many businesses can attest to how AI has contributed positively to their business needs.

64%

Of businesses that implemented Artificial Intelligence have seen an increase in productivity

79%

Of sales and marketing executives say AI has helped their companies increase revenue

With this increased usage of AI, many now consider it a 10x alternative to humans, which lead to human intelligence being replaced by Artificial Intelligence.

Use Cases of AI in Businesses

- Digital Advertising
- Chatbots
- Predictive Analysis
- Content Creation
- Appointment Booking
- Fraud Detection
- Sentiment Analysis
- Lead Generation



AI is no longer just a buzzword; it's a driving force behind business optimization and strategic decision-making. Small businesses, often faced with limited resources and intense competition, are finding solace in AI's ability to level the playing field. Let's delve into how AI is reshaping the landscape for these enterprises:

1. Enhanced Customer Experiences.
2. Data-Driven Insights
3. Process Automation
4. Personalized Marketing
5. Competitive Advantage
6. Scalability and Growth

The journey to integrating AI into small businesses may seem daunting, but the rewards are worth the effort.

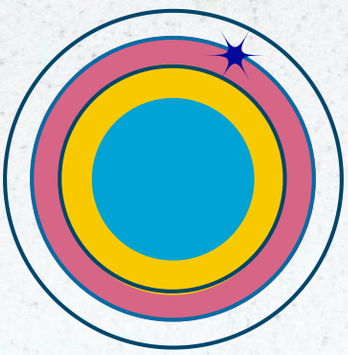
BIG DATA ANALYTICS EMPOWERS SMALL BUSINESSES

"You can't manage what you don't measure."



Big Data Analytics can be a powerful tool for small businesses, offering them a variety of ways to compete effectively with larger players in the market, optimize operations, and better understand their customers.

- Improved Decision Making
- Customer Insights
- Operational Efficiency
- Risk Management
- Competitive Advantage
- Real-time Analytics
- Marketing Optimization
- Product Development
- Cost Reduction
- Enhanced Customer Experience
- Talent Management



Even though Big Data Analytics can offer multiple advantages, small businesses often face challenges in adopting this technology due to limited resources and expertise. However, with the advent of affordable SaaS-based analytics tools and growing community support, even small businesses can now harness the power of Big Data Analytics.

Different branches of analytics that can be done with sets of big data include the following:

Comparative analysis

This examines customer behavior metrics and real-time customer engagement in order to compare a company's products, services and branding with those of its competitors.

Social media listening

This analyzes what people are saying on social media about a business or product, which can help identify potential problems and target audiences for marketing campaigns.

Marketing analytics

This provides information that can be used to improve marketing campaigns and promotional offers for products, services and business initiatives.

Sentiment analysis

All of the data that's gathered on customers can be analyzed to reveal how they feel about a company or brand, customer satisfaction levels, potential issues and how customer service could be improved.



87%

of workers believe AI will change their profession by 2020

76%

feel that a robot, algorithm, or AI-enabled device could perform at least "part" or "half" of their job.

Big data challenges

In connection with the processing capacity issues, designing a big data architecture is a common challenge for users. Big data systems must be tailored to an organization's particular needs, Calsoft undertaking that requires IT and data management teams to piece together a customized set of technologies and tools.

Other challenges in managing big data systems include making the data accessible to data scientists and analysts, especially in distributed environments that include a mix of different platforms and data stores. To help analysts find relevant data, data management and analytics teams are increasingly building data catalogs that incorporate metadata management and data lineage functions. The process of integrating sets of big data is often also complicated, particularly when data variety and velocity are factors.

Big data management and analytics

Ultimately, the business value and benefits of big data initiatives depend on the workers tasked with managing and analyzing the data. Some big data tools enable less technical users to run predictive analytics applications or help businesses deploy a suitable infrastructure for big data projects, while minimizing the need for hardware and distributed software know-how.

Big data can be contrasted with small data, a term that's sometimes used to describe data sets that can be easily used for self-service BI and analytics. A commonly quoted axiom is, "Big data is for machines; small data is for people."



Impacts of AI and Machine Learning on Healthcare

Big data, artificial intelligence and machine learning have been playing an active role in transforming industries for the better. Presently, the integrations have gone beyond just business analytics to more real-time experiences, like healthcare.

With the advent of technology and its rapid development in the late 20th and the 21st century, healthcare has seen shifts and amendments like it never did before.

Better disease diagnoses assays were invented, a better pipeline for drug and vaccine discovery was formulated, epidemiological studies boomed and people started getting the healthcare services they deserve. Currently, we entered a further morphed form of healthcare, which somewhat is driven immensely by technology.

AI and machine learning based approaches in research have prompted healthcare services to take a more analytically oriented treatment path. Additionally, a technology-based healthcare system also prevents the infrastructure from falling apart due to population burden.

Here are the top impacts of AI and Machine Learning on healthcare:

- Constant monitoring of vitals
- Faster disease diagnosis
- Vaccine discovery pipelines
- Medical image processing
- Personalized medicine
- Better health data and records
- Easy access to health options
- Big data for robust research



Benefits of AI and Machine Learning based Healthcare

AI and machine learning-based solutions are increasingly prevalent in healthcare, tackling a wide variety of challenges from diagnostic imaging to drug discovery. Calsoft is focusing on these areas, they are entering a dynamic and impactful field with significant opportunities for innovation.

Some key applications of AI and machine learning in healthcare include:

- Predictive Analytics
- Drug Discovery
- Telemedicine
- Personalized Medicine
- Natural Language Processing (NLP)

EMPOWERING SMALL BUSINESSES

For a company like Calsoft, developing solutions in these areas could offer a meaningful contribution to healthcare and potentially result in commercially successful products. The key would be to collaborate closely with healthcare professionals to ensure that the solutions are solving real-world problems effectively

''Calsoft continue to improve and provide better support for life sciences organizations, and to bridge functionality gaps and optimize the software tools for the industry''.



Digital Trends in 2023



As we approach 2023, it's clear that digital marketing is continuing to evolve at a rapid pace. AI, automation, personalization, web3, data, and MarTech will remain essential elements of successful digital marketing strategies. Understanding search intent and creating relevant content will continue to be important, as will partnering with influencers and content creators. ChatGPT is expected to become an even more significant player in the search engine game, so businesses will need to stay up-to-date with the latest SEO trends and techniques. Conversational marketing and search will also continue to evolve, with an emphasis on personalization and local context. To stay competitive, it's crucial to keep an eye on the latest developments and be willing to adapt and innovate.

THE EVOLUTION OF DIGITAL MARKETING

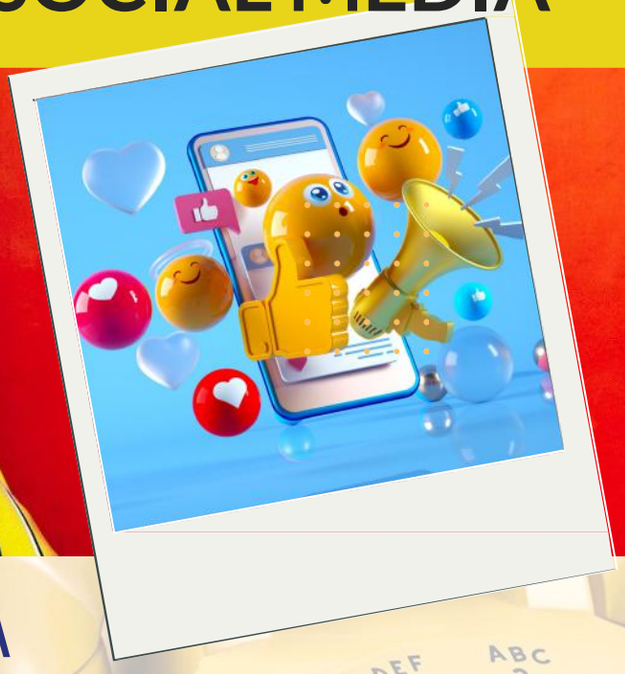
- Digital Marketing has evolved significantly over the past few years, and the future looks even more exciting. Brands need to adapt to the changing trends to stay ahead in the game.

- Social Media Marketing Social Media Marketing will continue to play a critical role in reaching out to cross-generational audiences. Brands must invest in various channels to address the diverse demographics. Tik Tok is popular among GenZ, and brands must figure out how to engage with them.
- Influencer Marketing and Content Creator partnerships Influencer Marketing and Content Creator partnerships will be a must-have in 2023. Brands cannot rely on the content they create by themselves.
- Customer retention Customer retention will become more important than customer acquisition. Brands must reduce CAC and invest in retention, cross-sell, and upsell strategies to establish long-term relationships with their customers.
- AI and web3: AI and web3 will continue to disrupt and shift Digital Marketing in 2023. It's essential to stay updated with the latest trends and technologies in the industry to succeed.

> Digital trend 2023 is expected to see a significant shift towards artificial intelligence, machine learning, and big data analytics. As businesses continue to adopt digital technologies, these trends will play a crucial role in shaping the way businesses operate and interact with their customers.



SOCIAL MEDIA



SOCIAL MEDIA MARKETING

INCREASING YOUR SOCIAL REACH WITH ORIGINAL CONTENT CREATION.

Our dedicated team of social media experts live and breathe all things social, and each has vast experience in setting up and executing successful paid and organic social media campaigns across all platforms, including Facebook, Instagram, LinkedIn, Twitter, TikTok and YouTube.

- profile management audience
- engagement
- PR & influencer marketing
- organic & paid campaigns
- tailored content plans post
- scheduling

Empowering small businesses through social media marketing is a vital approach in today's digital age. Social media platforms like Facebook, Instagram, Twitter, LinkedIn, and Pinterest provide unprecedented access to a broad and engaged audience; By adopting a well-thought-out social media marketing strategy, small businesses can amplify their voice, expand their reach, and establish a strong online presence.

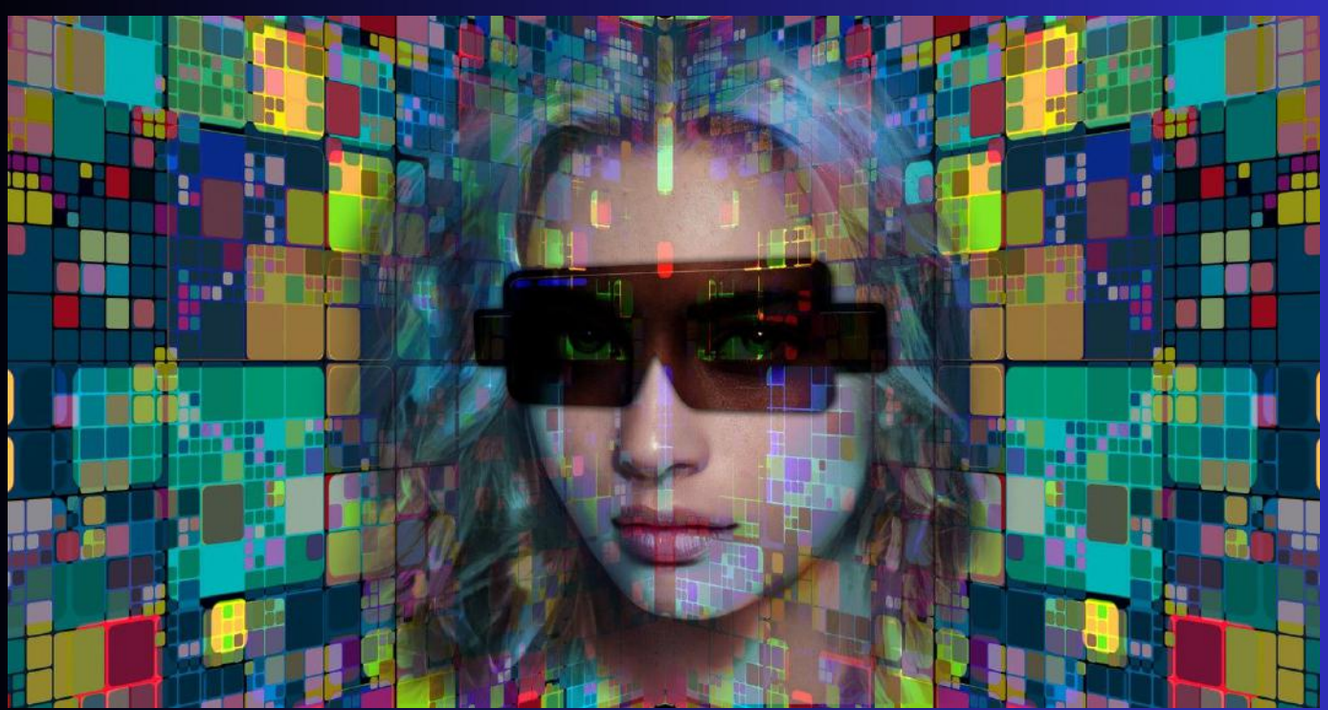
METAVERSE

calsoft EMPOWERING SMALL BUSINESSES

AR ADDS DIGITAL ELEMENTS TO THE REAL WORLD, ALLOWING FOR A MORE SEAMLESS AND IMMERSIVE EXPERIENCE..



Metaverse marketing is the future of marketing. The metaverse is a virtual reality world where people can interact with each other, buy and sell things, and live out their dreams.



THE EVOLUTION OF DIGITAL MARKETING

Engaging your consumers

SEO is evolving

Search optimization is continuously evolving, and we can expect further changes in 2023.

Search engines will focus more on understanding the intent of search queries and measuring the relevance of content. Backlinks are not as important as before, and instead, long-tail keywords and page load speed are becoming crucial factors to consider. Brands should invest in website optimization and regular audits to stay ahead of the competition. Additionally, AI-powered tools like ChatGPT may disrupt search engines in 2023,

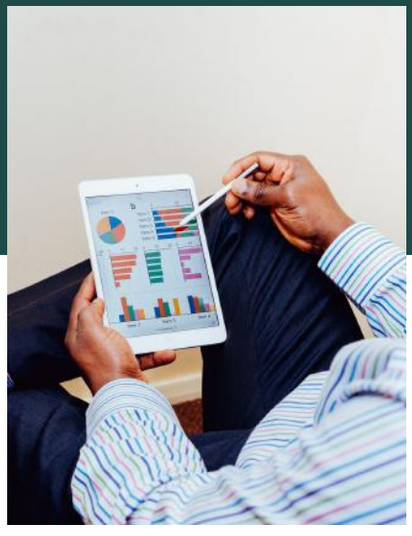
SEO is changing:

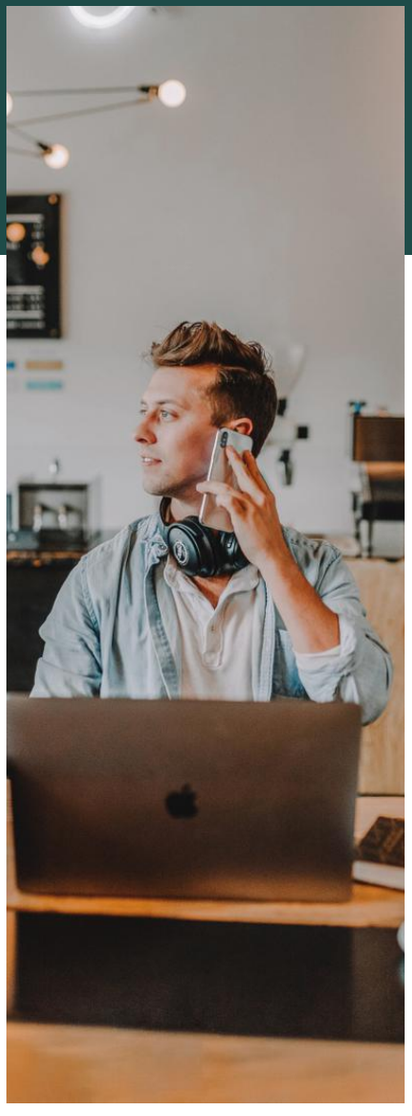
Emphasizing the need to stay updated with the latest SEO trends and techniques. On-site optimization techniques like schema will no longer be just nice-to-haves, but a necessity.

Digital marketing is undergoing a significant transformation, driven by AI, automation, personalization, web3, data, and MarTech. To succeed in this new landscape, it's crucial to understand your target audience's search intent and create relevant content. Partnering with influencers and content creators and leveraging community content at scale can also help brands to stay competitive. ChatGPT, an AI-powered tool, is expected to disrupt search engines in the coming years, which may require companies to adapt to new SEO trends and techniques. Conversational marketing and search are also evolving, and it's essential to personalize content and consider local context and realities. Overall, staying up-to-date with the latest developments and being adaptable is key to success in digital marketing.

WHAT YOU SHOULD KNOW
About Digital Marketing

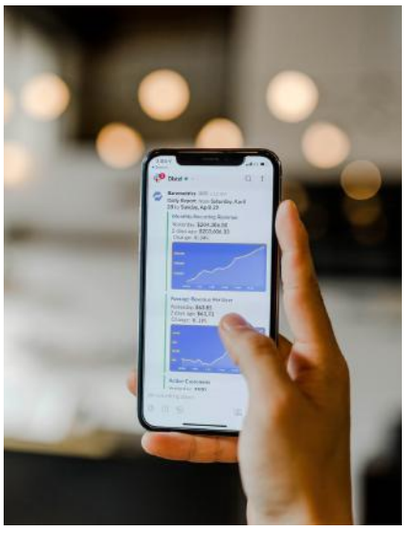
As simple and self-explanatory as it sounds, Digital Marketing is that magical method that announces your presence all over the Digital Media. Be it social media, Google ads, IG posts, your company's presence will literally be noticed all over the internet hub therefore, ensuring targets you aim actually hit the bull's eye.











Social Media Marketing Empowers SMEs

The integration of social media into digital marketing strategies has proven to be a game-changer for businesses of all sizes, but particularly for small and medium enterprises (SMEs). Social media platforms offer unique opportunities for branding, customer engagement, and sales, acting as catalysts for business growth.



WHY ARE WE
telling you all these?



As we navigate the ever-evolving landscape of the digital era, it's crucial to recognize the transformative power of digital marketing, particularly for small businesses. With advances in technology and consumer behavior continually changing, digital marketing is no longer a luxury; it's a necessity. Today, I'd like to focus on some key digital marketing trends that are empowering small businesses to reach new heights.

What Calsoft offer:

- Funnel creation
- Ad Campaign setup
- Platform Analysis
- Email copywriting
- Video marketing
- Social media posts



SOFTWARE OPPORTUNITIES AND CHALLENGES IN THE LIFE SCIENCES INDUSTRY



EMPOWERING SMALL BUSINESSES THROUGH BLOCKCHAIN TECHNOLOGY

Empowering small businesses through blockchain technology is a subject that is increasingly receiving attention as blockchain evolves beyond cryptocurrencies like Bitcoin. Blockchain can offer a range of solutions for small businesses, enhancing transparency, security, and efficiency. Below are some of the ways small businesses can benefit from integrating blockchain technology

Considering this wide spreading of Blockchain, most of the organizations have embraced this new **technology** in their business. Also, the business and IT services will mark 70% of **all the** blockchain spending in the future, as per the research.
So, let us discuss what blockchain is and the assorted benefits of using this technology in businesses.

EMPOWERING SMALL BUSINESSES THROUGH BLOCKCHAIN TECHNOLOGY

Our experts can help you enable blockchain and transform your business.

Financial Transactions and Payments

- Low Transaction Costs: Traditional online payment gateways often come with high fees. Blockchain can significantly reduce these transaction costs.
- Speed: Blockchain transactions can be nearly instantaneous, even for international payments.
- Transparency and Security: Every transaction is transparent and securely stored on the blockchain, reducing the risk of fraud.

Supply Chain Management

- Real-time Tracking: Small businesses can track the production, shipment, and receipt of products in a supply chain in real-time.
- Provenance: Detailed history of a product from its origin through its entire lifecycle can be securely and transparently accessed.
- Smart Contracts: These can automatically execute, enforce, or manage contracts, reducing the need for intermediaries.

Tokenization of Assets

- Investment: Small businesses can tokenize their assets to raise capital, allowing people to buy 'shares' in the form of tokens.
- Asset Management: Tokenization allows for easier and more transparent buying, selling, and trading of real-world assets.



"Blockchain technology democratizes commerce, offering small **businesses** the security, transparency, and efficiency **once** reserved for big corporations."



EMPOWERING SMALL BUSINESSES THROUGH BLOCKCHAIN TECHNOLOGY

Decentralized Marketplaces

- Reduced Costs: Listing and selling products on a blockchain-based marketplace can reduce fees associated with traditional e-commerce platforms.
- Transparency: Such marketplaces can offer greater transparency in terms of product origin, reviews, and transactions.

Data Security

- Secure Storage: Blockchain's cryptography can be used for secure storage of business data.
- Data Integrity: Once data is stored on a blockchain, it is extremely difficult to alter, ensuring the integrity of business records.

Networking and Partnerships

- Global Network: The decentralized nature of blockchain can easily connect small businesses with international partners without requiring intermediaries.
- Challenges and Considerations
- Scalability: As of now, some blockchains still have scalability issues.
- Regulatory Uncertainty: The legal landscape for blockchain is still evolving.
- Initial Costs: The upfront cost of implementing blockchain technology can be high.

Overall, blockchain holds immense potential to revolutionize how small businesses operate, but due diligence and a well-thought-out integration strategy are essential.

Blockchain technology is undoubtedly here to stay and will change the face of **business.** With the above-mentioned points, you can not overlook the fact that blockchain **has so** much potential for the business. Companies the research.So,
these business benefits and embracing blockchain technology for its wide-reaching possibilities.

MONEY, TOKENS, AND GAMES

Blockchain's Next Billion Users and Trillions in Value

Blockchain: The Opportunity
and the Addressable Need

BILLIONS OF USERS

Blockchain user numbers will be boosted by daily activity. The success of blockchain adoption will be measured by when it is being used by a billion plus end users who do not even realize they are using the technology. Blockchain-based products can make a significant impact in terms of wide consumer adoption in digital currency, especially central bank digital currency (CBDCs), gaming, and social.



© 2023 Citigroup

Gaming industry next dimension



Since its inception decades ago, the video gaming industry has grown with stunning speed. Over the last five years in particular, it has experienced significant expansion as users worldwide play games of all types across a variety of platforms. Video gaming is also on the verge of a major transformational shift due to the emergence of the metaverse — a shared, persistent, three-dimensional (3D) virtual realm where users interact with objects, the environment and each other through digital representations of themselves or avatars.

While many believe that the metaverse will eventually be pervasive throughout society, including in the business world and on social media, gaming has quickly become a first mover in this space. With this in mind, we recently surveyed a group of executives from leading gaming companies to gain their insights about the impact of and outlook for the metaverse.

The state of the gaming industry

An estimated 2.9 billion people — more than one out of every three people on the planet — played a video game in 2021, when global revenue for the industry exceeded $193 billion (see Figure 1). In addition, from 2016 to 2021, gaming grew at a compound annual growth rate of 15.6%.



We provide end-to-end video design, coding, testing, and deployment gaming solutions. We use Unity3D, Unreal, Cocos2Dx, Construct, and PlayCanvas to build fun games, we use the agile technique, which allows us to incorporate user feedback at every level. We build epic games with captivating animation, rich UI/UX, and delightful storytelling across all platforms of your choice.



Creating Shared Value

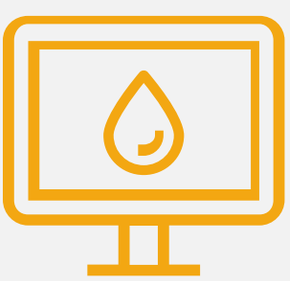
Connecting through our hands



Financial Review



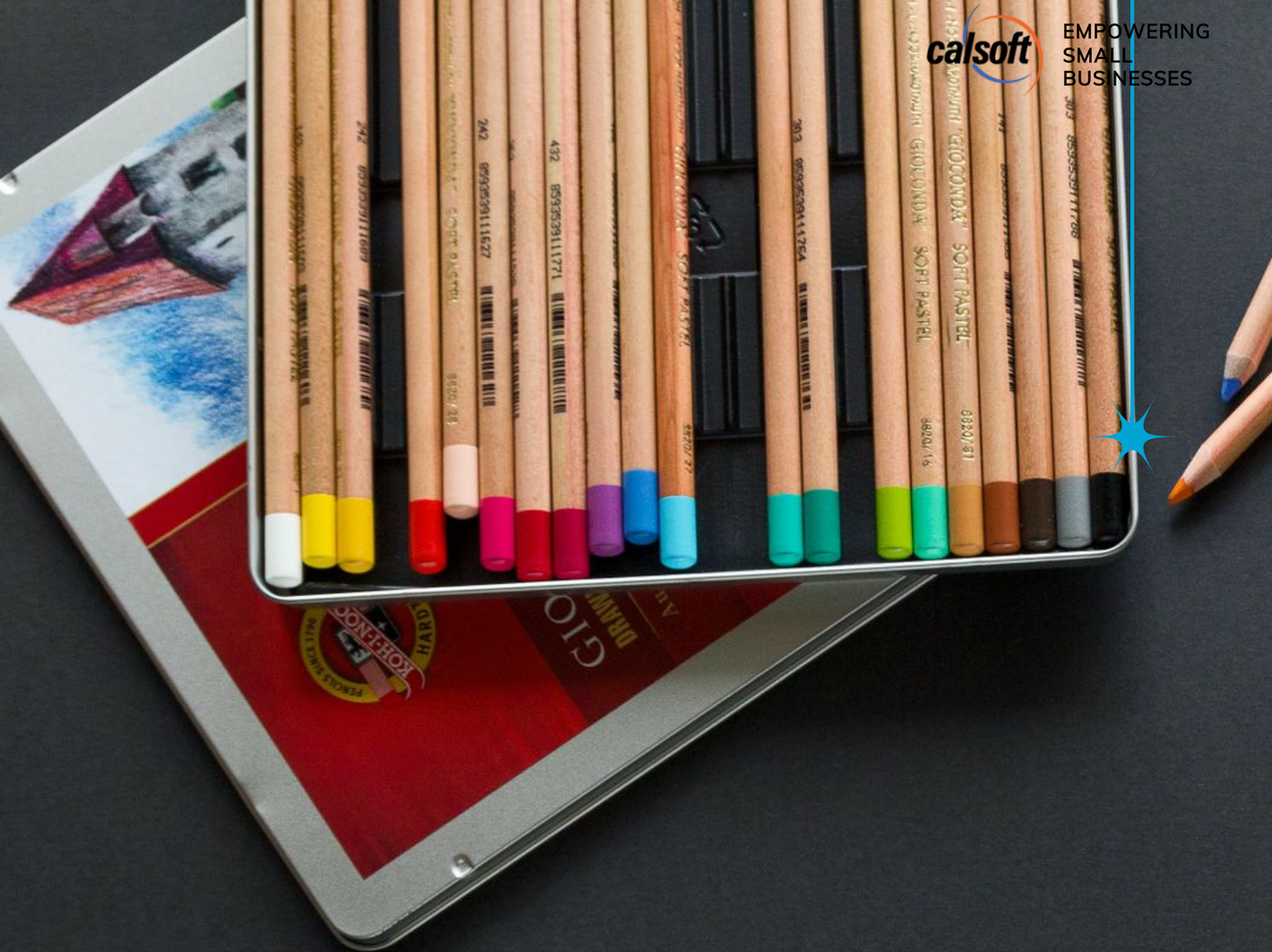
Strategy



Corporate Governance



Innovating for a changing world



DIRECTORS REPORT

To

The Members

The Directors are pleased to present their 31st Annual Report and the audited financial statements for the financial year ended March 31, 2023.

FINANCIAL RESULTS

The financial results of the Company for the year ended 31st March 2023 are summarised below:

(All figures in lakhs, Except for EPS)

Details	Standalone		Consolidated	
	Year ended	Year ended	Year ended	Year ended
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
Total Revenues	276.41	1085.73	276.41	1085.73
Total Expenses	246.52	454.32	246.52	454.32
Profit before exceptional and extra-ordinary items	29.89	631.39	29.89	631.39
Exceptional items	-	-	-	-
Profit before extraordinary items and tax	29.89	631.39	29.89	631.39
Profit before Tax	29.89	631.39	29.89	631.39
Current Tax	12.96	183.96	12.96	183.96
Deferred Tax	(5.19)	(7.76)	(5.19)	(7.76)
Profit / (Loss) for the year	22.12	455.21	22.12	455.21
Minority Interest	-	-	-	-
paid-up equity capital	1545.71	1545.71	434.24	19.44
Earnings per share (EPS) for the year (Rs)				
i) Basic	0.14	2.94	0.14	2.94
ii) Diluted	0.14	2.94	0.14	2.94

COMPANY PERFORMANCE AND RESULTS OF OPERATIONS

Standalone Results

During the year, your Company, on a standalone basis, earned a total revenue of Rs. 276.41 lakhs. The profit before tax during the year is Rs.29.89lakhs.

After considering the tax provisions and adjustments, the profit for the year was Rs. 22.12 lakhs.

Consolidated Results

During the year, your Company consolidated with all its subsidiaries and earned a total revenue of Rs. 276.41 lakhs. The profit before tax during the year is Rs. 29.89 lakhs.

DIVIDEND

The Board of Directors has decided to retain the entire FY 2022-23 profits in the profit and loss account; hence, no dividend is being declared for this financial year.

SHARE CAPITAL

The Share Capital of the Company as of March 31, 2023, stood at Rs.15,87,58,060/- shares of Rs. 10/- each as below:

a. 1,54,57,106 equity shares of Rs. 10/- each;
b. 4,18,700 Optionally Convertible Redeemable Preference Shares of Rs. 10/- each

TRANSFER TO RESERVES

The Company retained the entire surplus in the Profit and Loss Account; hence, no transfer to General Reserve was made during the Year.

SUBSIDIARY COMPANY AND CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company and its subsidiary, prepared in accordance with Indian Accounting Standards notified under the Companies (Indian Accounting Standard) Rules, 2015 ('IND AS'), form part of the Annual Report and are reflected in the Consolidated Financial Statements of the Company.

In Section 134 of the Companies Act, 2013 and Rule 8(1) of the Companies (Accounts) Rules, 2014, the financial position and performance of subsidiaries are given in Consolidated Financial Statements. As of March 31, 2023, the company has a subsidiary, Aspire Communications Private Limited. There has been no material change in the nature of the subsidiaries' business. 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 associates in form AOC-1 is attached as Annexure I, along with the financial information of the company.

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.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

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 are detailed in Notes to Accounts of the Financial Statements.

RELATED PARTY TRANSACTIONS

During the year, the Company has not entered into any contract/ arrangement/ transaction with a related party which can be considered as material in terms of the policy on related party transactions laid down by the Board of Directors except for taking of loan from Mr. Vasudevan Mahadevan (Managing Director and Promoter) to funds day to day operations of the Company.

The related party transactions undertaken during the financial year 2022-23 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-II to the Board's Report.

CHANGES IN THE BOARD OF DIRECTORS

During the year, the following changes took place in the composition of the Board of Directors:

- Resignation of Mr. Gopalakrishna Rao (DIN: 07556751) as Additional Director wef 31.01.2023
- Re-appointment of Dr. Mahalingam Vasudevan as Managing Director for five years effective from 23.12.2022.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received declarations from all its Independent Directors that they meet the criteria of Independence as laid down under Section 149 (6) of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the financial year ended March 31, 2022.

Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV of the Companies Act, 2013.

GOVERNANCE GUIDELINES

The Board of the Company has adopted Governance Guidelines on Board Effectiveness. The Guidelines cover aspects related to the composition and role of the Board, Chairman and Directors, Board diversity, definition of independence, Director term, retirement age and Committees of the Board. It also covers aspects relating to nomination, appointment, induction and development of Directors, Director remuneration, Subsidiary oversight, Code of Conduct, Board Effectiveness Review and Mandates of Board Committees.

PROCEDURE FOR NOMINATION AND APPOINTMENT OF DIRECTORS

The Nomination and Remuneration Committee (NRC) is responsible for developing competency requirements for the Board based on the industry and strategy of the Company. The Board composition analysis reflects an in-depth understanding of the Company, including its design, environment, operations, financial condition and compliance requirements. The Nomination and Remuneration Committee periodically conducts a gap analysis to refresh the Board, including when a Director's appointment or re-appointment is required.

The Committee is also responsible for reviewing the profiles of potential candidates vis-à-vis the needed competencies and meeting potential candidates before making recommendations for their nomination to the Board. At the time of appointment, specific requirements for the position, including expert knowledge expected, are communicated to the appointee.

CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES AND INDEPENDENCE OF A DIRECTOR

The Nomination and Remuneration Committee has formulated the criteria for determining qualifications, positive attributes and independence of Directors in terms of provisions of Section 178(3) of the Act and Regulation 19 read with Part D of Schedule II of the Listing Regulations.

Independence: In accordance with the above criteria, a Director will be considered as an 'Independent Director' if they meet the requirements for 'Independent Director' as laid down in the Act and Rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations.

Qualifications: A transparent Board nomination process is in place that encourages diversity of thought, experience, knowledge, perspective, age, and gender. It is also ensured that the Board has an appropriate blend of functional and industry expertise. While recommending the appointment of a Director, the Nomination and Remuneration Committee considers how the individual's function and domain expertise will contribute to the overall skill-domain mix of the Board.

Positive Attributes: In addition to the duties as prescribed under the Act, the Directors on the Board of the Company are also expected to demonstrate high standards of ethical behaviour, strong interpersonal and communication skills and soundness of judgement. Independent Directors are also expected to abide by the 'Code for Independent Directors' outlined in Schedule IV of the Act.

CORPORATE SOCIAL RESPONSIBILITY

The provisions of Section 135 of the Companies Act, 2013, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, are applicable to the Company for the financial year ending March 31, 20223. Consequently, the Board of Directors have constituted a Corporate Social Responsibility (CSR) Committee.

The Board, as per the recommendation of the CSR Committee, approved and adopted the CSR Policy in accordance with Section 135 of the Companies Act, 2013 and the Rules framed thereunder.

The Board of Directors, at their Meeting held on 05.09.2023, has constituted the Corporate Social Responsibility (CSR) Committee as under:

1. Ms. AVN Srimathi
2. Mr. RS Chandan
3. Mr. Ashok Godavarthi

During the financial year ended March 31, 2023, no meetings of the CSR Committee were held. The report on CSR is enclosed as Annexure III.

ANNUAL EVALUATION OF BOARD PERFORMANCE AND PERFORMANCE OF ITS COMMITTEES AND DIRECTORS

According to the applicable provisions of the Act and the Listing Regulations, the Board has carried out an annual evaluation of its performance, the performance of the Directors, as well as the assessment of the working of its committees.

The Nomination and Remuneration Committee has defined the evaluation criteria, procedure and schedule for the Performance Evaluation process for the Board, its Committees and Directors.

The Board evaluated the performance of the Board and individual Directors after seeking input from all the Directors. The Board assessed the Committees' performance after seeking information from the Committee Members. The criteria for performance evaluation of the Board included aspects such as Board composition and structure, effectiveness of Board processes, contribution to long-term strategic planning, etc. The criteria for performance evaluation of the Committees included structure and composition, point of Committee meetings, etc. The above criteria for assessment were based on the Guidance Note issued by SEBI.

In a separate meeting, the independent Directors evaluated the performance of Non-Independent Directors and the performance of the Board as a whole. They also assessed the performance of the Chairman, taking into account the views of Executive Directors and Non-Executive Directors. The NRC reviewed the performance of the Board, its Committees and the Directors. The same was discussed in the Board Meeting that followed the meeting of the independent Directors and Nomination and Remuneration Committee, at which the feedback received from the Directors on the performance of the Board and its Committees was also discussed.

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

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

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

The details of such a familiarisation programme for Independent Directors are posted on the company's website and are available at https://www.calsof.com/investor.

SKILLS, EXPERTISE AND COMPETENCIES OF THE BOARD

The Board of Directors has, based on the recommendations of the Nomination and Remuneration Committee ('NRC'), identified the following core skills/ expertise/competencies of Directors as required in the context of business of the Company for its effective functioning:

NUMBER OF BOARD MEETINGS

During the year, seven(7) board meetings were conducted, and details are available in the Corporate Governance Report. The intervening gap between the two board meetings was within the period prescribed by the Companies Act 2013.

BOARD COMMITTEES

The primary committees of the Board are the Audit Committee, Nomination and Remuneration Committee, and Stakeholder Relationship Committee. Since the Company does not fall under the top 1000 listed entities based on market capitalisation, the Company doesn't need to form a Risk Management Committee.

1) Audit Committee

In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 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 consists of five “Non-Executive& Independent Directors" as members having adequate financial and accounting knowledge. The audit committee's composition, procedures, powers, role/functions and terms of reference are set out in the corporate governance report, forming part of the Board's report. During the financial year 2022-23, the Audit Committee met five times on30.05.2022, 12.08.2022, 07.11.2022, 14.11.2022 and 14.02.2023

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.

2) Nomination and Remuneration Committee

As of 31.03.2023, the Nomination and Remuneration Committee comprises five Non-Executive Independent Directors. Mrs. AVN Srimathi, the Independent Director, is the Chairman of the Committee. The committee met four times during the year on 30.05.2022, 12.08.2022, 14.11.2022 and 14.02.2023.

3) Stakeholder Relationship Committee

The Company has a Stakeholders Grievance Committee (formerly known as Shareholders’/Investors’ Grievance Committee) of the Board of Directors to look into the redressal of complaints of shareholders/investors’ such as transfer or credit of shares, non-receipt of dividend/notices/annual reports, etc.

As of 31.03.2023, the Stakeholder Relationship Committee comprises six members: five independent directors and one executive director. Mrs. AVN Srimathi, the Independent Director, is the Chairman of the Committee. The committee met four times during the year on 30.05.2022, 12.08.2022, 14.11.2022 and 14.02.2023.

DETAILS OF POLICIES DEVELOPED BY THE COMPANY

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.calsof.com, and relevant extracts from the Policy are reproduced in Annexure IV of this report.

The Board affirms that the remuneration paid during the financial year 2022-23 to the Employees and Key Managerial Personnel was as per the Company's Remuneration policy.

2) Whistle Blower Policy - 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 behaviour, 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 affirms that no personnel has been denied direct access to the Chairman of the Audit Committee.

The Policy also protects the whistle-blower against victimisation or discriminatory practices. The Policy is available on the website of the Company at http://www.calsof.com.

3) Board Diversity

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

The Company recognises and embraces the benefits of having a diverse Board of Directors and sees increasing diversity at the Board level as essential in maintaining a competitive advantage in its complex business. It is recognised that a Board composed of appropriately qualified people with a broad range of experience relevant to the industry of the Company is necessary to achieve effective corporate governance and sustained commercial success.

A truly diverse Board will include and make good use of differences in skills, regional and industry experience, background, race, gender and other distinctions among 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 that the Board requires to be effective.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Directors state that applicable Secretarial Standards, i.e. SS-1 and SS-2, issued by the Institute of Company Secretaries of India, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

AUDITORS

Statutory Auditors

During the year, M/s. M.K. Dandeker & Co., Chartered Accountants (Firm Registration No. 000679S) resigned as the Company's Statutory Auditor w.e.f. November 04, 2022. The casual vacancy created by this resignation was filed by appointing M/s. K. Gopal Rao& Co., Chartered Accountants (Firm Registration No. 000956S) by the Board and subsequently approved by the members via postal ballot. At this AGM, the resolution for the appointment of M/s. K. Gopal Rao & Co., Chartered Accountants (Firm Registration No. 000956S) as the Statutory Auditors of the Company for five years, from the conclusion of Thirty First (31st) Annual General Meeting till the conclusion of Thirty Sixth (36th) Annual General Meeting of the Company to be held in the year 2028, is placed before the members for their approval;

The Company has received a certificate from the Statutory Auditors to the effect they are not disqualified to continue as Auditors of the Company.

Auditors Report

The notes on the financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

Qualifications in Auditors Report and the Management response to the qualification

The details of qualified opinion provided by the Statutory Auditors of the Company on the Standalone and Consolidated financial results for the financial year ended March 31, 2023, and the Management response thereof are provided in the Statement on Impact of Audit Qualifications (for audit report with modified opinion) are given below.

Statement on Impact of Audit Qualifications to be pasted

Secretarial Auditor

S. Dhanapal and Associates LLP, Practicing Company Secretaries, have been appointed as Secretarial Auditor for the financial year 2022-23, the Secretarial Audit Report in Form No. MR.3 issued by the Secretarial Auditor forms part of the Annual Report as Annexure V to the Board's report.

As per the Secretarial Auditor's report, the company has complied with the applicable provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. However, there were a few instances where the company faced delays in filing forms with the MCA and CSR related compliances. The Board is actively taking steps to comply with the requirements that have arisen due to technical difficulties or inadvertence.

Cost Audit- The Company is not required to conduct a cost audit.

PARTICULARS OF EMPLOYEES AND REMUNERATION

Details as required under Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 per Annexure VI

Name of Director/KMP	Amount of Remuneration Per Annum (Rs. In Lakhs)	The ratio of Remuneration to Median Remuneration of Employees for the FY	% Increase In Remuneration During The FY
Mr.VasudevanMahalingam	-	-	-
Ms.ManimalaVasudevan	12	12	Nil
Mr.VijayakumarMadhavan	10	12	Nil

Percentage increase in the Median Remuneration of employees in the financial year

The median remuneration of employees for the financial year 2022-23 arrived at Rs.7.25 lakhs/- per month, and the median remuneration for the previous financial year, 31st March 2023, arrived at Rs. 27,000/- per month. Accordingly, there was an increase of 10 % in the median remuneration of employees in a financial year.

Average percentile increases already made in the salaries of employees other than managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there any exception circumstances for increase in managerial remuneration.

The average percentile increase was about 10% for all employees who went through the compensation review cycle in the year. For the managerial position, the compensation level remained the same with respect to the Managing Director and, Executive Director and CFO. It has marginally increased due to annual increments based on their performance.

DETAILS OF PECUNIARY RELATIONSHIP OR TRANSACTIONS OF NON-EXECUTIVE DIRECTORS VIS A VIS THE COMPANY

No sitting fees were given to any non-executive Directors for every meeting of the Board and committee meeting they attended as members of the board.

Dr. Vasudevan Mahalingam holds 55,22,972 equity shares as of March 31, 2023.

INTERNAL FINANCIAL CONTROLS

The term Internal Financial Controls has been defined as the policies and procedures adopted by the company to ensure orderly and efficient conduct of its business, including adherence to the company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records, and the timely preparation of reliable financial information. Your Company has adequate and robust Internal Control Systems commensurate with its operations' size, scale and complexity.

To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board. The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control systems in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the Internal Audit function report, process owners undertake corrective action in their respective areas, strengthening the controls. Significant audit observations and recommendations, along with corrective actions thereon, are presented to the Audit Committee of the Board.

The Audit Committee also conducts discussions about Internal Control Systems with the Internal and Statutory Auditors, and the Management of the Company satisfies themselves on the integrity of financial information and ensures that financial controls and risk management systems are robust and defensible.

HUMAN RESOURCES

Employee Strength and Expansion

Calsoft employs more than 1000+ employees to deliver an industry-leading revenue per employee. Calsoft continued its focus on talent localisation strategy in global locations; a strategy adopted a decade ago, ahead of the market. This has paid rich dividends in an era of strong emphasis on talent localisation.

In FY 2022-23, the human resource function continued to build on its organisational strategy and mission. Our various initiatives were focused on simplifying HR function, impacting the entire hire-to-retire cycle, and enhancing employee experience by delivering distinctive people practices. HR function collaborated with businesses to enhance business value by driving operational efficiencies and effective organisation design.

Talent Acquisition, Talent Development & Career Management

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

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition &Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The Company has not received any complaint on sexual harassment during the financial year ended 31.03.2023.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

During the year, no significant and material orders passed by the Regulators or Courts or Tribunals impact the going concern status and the Company's operations in future.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF REPORT

No such transaction affects the financials for the year ending and the date of the report.

EXTRACT OF ANNUAL RETURN

As per the MCA Notification dated August 28, 2020, amending to Rule 12(1), a web link of the Annual Return is furnished in accordance with sub-section (3) of Section 92 of the Companies Act, 2013 and as prescribed in Form MGT-7 of The Companies (Management and Administration) Rules, 2014. You may please refer to our Company's weblink:
https://www.calsof.com/_files/ugd/535075_d19d5bd9f03e4ebd92c71549ca9835d6.pdf

CORPORATE GOVERNANCE

The Company has complied with the corporate governance requirements under the Companies Act, 2013 and as stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

A report on Corporate Governance, including Management Discussion and Analysis report under Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, along with a certificate from M/s. S Dhanapal & Associates LLP, Practicing Company Secretaries, confirming the compliance is annexed herewith marked as Annexure VII and forms part of this report.

CODE OF CONDUCT

Regarding 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 Company's Board Members and Senior Management Personnel. The Code is also posted on the Company's Website: www.calsof.com. All Board Members and Senior Management Personnel have affirmed their compliance with the Code for the March 31, 2023 financial year. A declaration signed by Dr. M. Vasudevan, Managing Director, forms part of the Corporate Governance Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

RELATED PARTY TRANSACTIONS

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

There have been no materially significant related party transactions, monetary transactions or relationships between the company and its Directors, management, subsidiary, or relatives, except for those disclosed in the financial statements for the financial year 2022-23. Detailed information on materially significant related party transactions is enclosed in Annexure VIII to the Board Report

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Since the company is in the Information Technology Enabled Services (ITES), the provisions relating to the conservation of energy and technology absorption are not applicable.

During this FY 2022-23, the company earned Rs. 270 lakhs as foreign exchange earnings.

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 the Companies Act, 2013 are enumerated below:

Your Directors confirm the following:

- In preparation for the annual accounts, the applicable accounting standards were followed along with proper explanation relating to material departures;
- The directors had selected such accounting policies. They applied them consistently and made judgments and estimates that were reasonable and prudent to give an accurate and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period.
- The directors had taken proper and sufficient care to maintain adequate accounting records in accordance with the provisions of the Companies Act 2013 to safeguard the company's assets and to prevent and detect fraud and other irregularities.
- The directors had prepared the annual accounts on a going concern basis.
- Proper internal financial controls were in place, and the financial controls were adequate and were operating effectively.
- Proper systems were in place to ensure compliance with the provisions of all applicable laws and were adequate and operating effectively.

GREEN INITIATIVES

From the FY 2016-17 onwards, Electronic copies of Annual Reports and Notice of the 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 were sent.

ADDITIONAL INFORMATION TO SHAREHOLDERS

All critical and pertinent investor information, such as financial results, investor presentations, press releases, new launches and project updates, are regularly available on the Company's website (www.calsoftgroup.com / www.calsof.com).

ACKNOWLEDGEMENT

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

For and on behalf of the Board of Directors

Dr. M. Vasudevan
Managing Director & CEO

Vijayakumar M
Whole Time Director

Place: Chennai
Date: September 06, 2023

ANNEXURE I

Form No AOC-1

FINANCIAL POSITION AND PERFORMANCE OF SUBSIDIARIES

Pursuant to the first Proviso to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules 2014 Statement containing salient features of the financial statement of subsidiaries

Sl.No.	Particulars	Details
1	CIN. No.	U64201KA2001PTC029221
2	Name of the subsidiary	Aspire Communications Private Ltd
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01st April 2022 to 31st March 2023
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Indian Rupees (INR)
5	Share Capital	20,000,000
6	Reserves & surplus	-20,040,492
7	Total assets	112,434
8	Total Liabilities	112,434
9	Investments	–
10	Turnover	–
11	Profit before taxation	-33,487
12	Provision for taxation	–
13	Profit after taxation	-33,487
14	Proposed Dividend	–
15	% of shareholding	100

NOTES: THE FOLLOWING INFORMATION SHALL BE FURNISHED AT THE END OF THE STATEMENT:

1. NAMES OF SUBSIDIARIES WHICH ARE YET TO COMMENCE OPERATIONS: NIL
2. NAMES OF SUBSIDIARIES WHICH HAVE BEEN LIQUIDATED OR SOLD DURING THE YEAR: NIL

PART "B" – Associates and Joint Ventures

A Statement under Section 129(3) of the Companies Act 2013 related to Associate Companies and Joint Ventures : NIL

Particulars	Details
Name of Associates / Joint Ventures	-
Latest Audited Balance Sheet Date	-
Shares of Associate / Joint Ventures held by the Company at the year-end	-
No. of shares	-
Amount of investment in Associates / Joint Venture	-
The extent of Holding (in percentage)	-
Description of how there is a significant influence	-
The reason why the Associate / Joint Venture is not consolidated	-
Net worth attributable to Shareholding as per the latest audited Balance Sheet	-
Profit / Loss for the year	-
i. Considered in Consolidation	-
ii. Not Considered in Consolidation	-

1. Names of associates or joint ventures which are yet to commence operations -Nil

2. Names of associates or joint ventures that have been liquidated or sold during the year- Nil

Note: This Form is to be certified in the same manner in which the Balance Sheet is to be certified.

By order of the Board
For CALIFORNIA SOFTWARE COMPANY LIMITED

Dr. M. Vasudevan
Managing Director & CEO

Vijayakumar M
Whole Time Director

Place: Chennai
Date: September 06, 2023

ANNEXURE II

Form No AOC-2

RELATED PARTY TRANSACTION

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

Form for Disclosure of particulars of contracts/arrangements "entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013, including specific arm's length transactions under the third proviso to it.

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

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

ANNEXURE – III
ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY

1. Brief outline of the CSR Policy of the Company

Calsoft recognises that its business activities broadly impact the societies in which it operates. Therefore, effective practice is required, giving due consideration to the interests of its stakeholders, including shareholders, customers, employees, suppliers, business partners, local communities and other organisations. Calsoft endeavours to make CSR a vital agenda and is committed to its stakeholders to conduct its business in an accountable manner that creates a sustained positive impact on society.

The objectives of CALSOFT's CSR policy are –

- Devising meaningful and effective strategies for carrying out CSR activities and engaging with all stakeholders towards implementation and monitoring.
- Make sustainable contributions to communities.
- Identify socio-economic opportunities to perform CSR activities.
- Focus on social welfare activities and programmes as envisaged in Schedule VII of the Companies Act, 2013.
- Modalities of utilising the funds and implementation of schedules for the Projects or Programmes.
- Monitoring and Reporting mechanisms for the Projects or Programmes; and
- Details of need and impact assessment study, if any, for the Projects undertaken by the Company.

2. Composition of the CSR Committee, the details of its Meetings and Attendance:-

S.No	Name of Director	Designation/Nature of Directorship	Number of meetings of the CSR Committee held during the year 2022-23	Number of meetings of CSR Committee attended during the year2022-23
1	AVN Srimathi	Independent Director	NIL	NIL
2	RS Chandan	Independent Director	NIL	NIL
3	Ashok Godavarthi	Independent Director	NIL	NIL

3. Web link where the Composition of the CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: https://www.calsof.com/_files/ugd/535075_b60dd8da6446413daf8bd69ff2aefffa.pdf

4. Executive summary along with web-link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014.

5. (a) Average net profit of the company as per sub-section (5) of section 135

Financial years	Net profit (In Rs.)
2021-2022	6,31,40,839
2020-2021	19,43,932
2019-2020	6,31,305
Total	6,57,16,076
Average Net Profit	**2,19,05,358**

(b) Two percent of the average net profit of the company as per sub-section (5) of section 135 is Rs. 4,38,107/-

(c) Surplus arising from the previous financial years' CSR Projects or programmes or activities. Nil

(d) Amount required to be set off for the financial year, if any. Nil

(e) Total CSR obligation for the financial year [(b)+(c)-(d)] is Rs. 4,38,107/-

6. (a) Amount spent on CSR Projects (both Ongoing Projects and other than Ongoing Projects) Nil

(b) Amount spent on Administrative Overheads: Nil

(c) Amount spent on Impact Assessment, if applicable Nil

(d) Total amount spent for the Financial Year [(a)+(b)+(c)] Nil

(e) CSR amount spent or unspent for the Financial Year:

Total Amount Unspent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unnpent CSR Account as per sub-section (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section(5) of section 135.		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
4,38,107	Nil	Nil			

(f) Excess amount for set-off, if any: Nil

7. Details of Unspent

Corporate Social Responsibility amount for the preceding three Financial Years: Nil

8. Whether any capital

assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

9. Specify why (s) the company has failed to spend two percent of the average net profit as per sub-section (5) of section 135.

The Company could not spend CSR obligation during the year 2022-23 due to operational constraints; accordingly, no provision has been made in accounts. The unspent amount of Rs. 4,38,107 is being transferred by the Company to a Fund as specified under Schedule VII as per the second proviso to subsection (5) of section 135. Steps are being taken to comply with the same.

ANNEXURE – IV

EXTRACTS FROM NOMINATION AND REMUNERATION POLICY

POLICY ON BOARD DIVERSITY

Purpose of this Policy

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

Scope of Application

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

Policy Statement

The Company recognises and embraces the benefits of having a diverse Board of Directors and sees increasing diversity at the Board level as essential in maintaining a competitive advantage in its complex business. It is recognised that a Board composed of appropriately qualified people with a broad range of experience relevant to the industry of the Company is necessary to achieve effective corporate governance and sustained commercial success. A truly diverse Board will include and make good use of differences in skills, regional and industry experience, background, race, gender and other distinctions among 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 that the Board requires to be effective.

Review of the Policy

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

REMUNERATION POLICY

Purpose of this Policy

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

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

- To evaluate the performance of the members of the Board.
- 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.
- To retain, motivate and promote talent, ensure the long-term sustainability of talented managerial persons, and create competitive advantage.

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

Definitions

Independent Director means a director referred to in Section 149(6) of the Act. Key Managerial Personnel (the "KMP") shall mean "Key Managerial Personnel" as defined in Section 2(51) of the Act.

Nomination and Remuneration Committee, by whatever name called, shall mean a Committee of the Company's Board of Directors, constituted in accordance with 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 the Board of Directors. This would include all members of management one level below the Executive Directors, including all functional heads.
Words and expressions used and not defined in this Policy, but defined in the Act or any rules framed under the Act or the Securities and Exchange Board of India Act, 1992 and Rules and Regulations framed thereunder, or the Accounting Standards shall have the meanings assigned to them in these regulations.

Composition of the Committee

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

Role of the Committee

The Committee shall

a. Formulate the criteria for determining qualifications, positive attributes and independence of a Director;
b. Identify persons who are qualified to become Directors 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 the performance evaluation of the Independent Director and the Board;
d. Recommend to the Board appointment, remuneration and removal of the Director, KMP and Senior Management;
e. To devise a Policy on Board diversity.

Appointment and removal of Director, KMP and Senior Management
Appointment criteria and qualification

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

For the appointment of KMP (other than Managing / Whole-time Director) or Senior Management, a person should possess adequate qualifications, expertise and experience for the position they are 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, the Managing Director may consult the Committee / Board for further directions/guidance if needed.

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 evaluate the performance of every Director. The Committee shall identify evaluation criteria which will determine 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. The framework for performance evaluation of Independent Directors and the Board is as per **Annexure 1** of this Policy.

Removal

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

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

The remuneration/compensation/commission, etc., as the case may be, to the Managing/whole-time Director will be determined by the Committee and recommended to the Board for approval.

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

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 II - A

Framework for performance evaluation of the Board of its 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, regarding SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Board must monitor and review the Board Evaluation Framework. This Framework shall contain the details of the Board's self-evaluation framework (including all Committees of the Board and individual directors). The Board is committed to assessing its performance as a Board 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 the performance of the Independent Director and the Board:

1. Once in a year, the Board will conduct a self-evaluation. It is the responsibility of the Chairman of the Board, supported by the Company Secretary of the Company, to organise the evaluation process and act on its outcome.

2. The Committee shall formulate evaluation criteria for the Board and the Independent Directors, which shall be broadly based on:

- Knowledge to perform the role;
- Time and level of participation;
- Performance of duties and level of oversight; and
- Professional conduct and independence.
- The Board / Independent Directors shall be asked to complete the evaluation forms and submit the same to the Chairman;
- In Section 134 of the Act, the Directors' Report should include a statement indicating how the Board has done a formal annual evaluation of its performance, the performance of Committees and individual Directors of the Company.

TRAINING AND FAMILIARISATION PROGRAM FOR INDEPENDENT DIRECTORS

Every Independent Director, on being inducted into the Board, attends an orientation program. To familiarise the new directors with the strategy, operations and functions of our Company, the Executive Directors/ Senior Managerial Personnel make presentations to the inductees about the Company's strategy, operations, product offerings, organisation structure, human resources, technologies, facilities and risk management. Further, at the time of appointment of Independent Directors, the Company issues a formal letter of appointment outlining their role, functions, duties and responsibilities as a Director. The detailed familiarisation program for Independent Directors is hosted on the website of the Company, and the weblink for the same is www.calsoftgroup.com.

ANNEXURE II - 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 the 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 before or after the Board Meeting. The Independent Directors are free to call such discussions at any time, as desired.

ANNEXURE II-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 must develop a Familiarisation Program 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 Program of the Company will provide information relating to the Company, industry and the environment in which the Company operates, challenges, etc. The programme also intends to improve the Independent Directors' awareness of their roles, rights, and responsibilities towards the Company. Further, the Familiarisation Program should also provide information relating to the financial performance of the Company and the budget and control process.

The Managing Director or other authorised officer(s) of the Company shall lead the Familiarisation Program on aspects relating to business/industry. The Chief Financial Officer or other official officer(s) of the Company may participate in the programme to provide inputs on the Company's financial performance and budget, control process, etc.

ANNEXURE – V

FORM NO. MR-3 , SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31.03.2023

To,
The Members,
CALIFORNIA SOFTWARE COMPANY LIMITED,
Chennai

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. California Software Company Limited, (hereinafter called the company). Secretarial Audit was conducted based on records made available to us, in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion/understanding 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 made available to us and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we, on strength of those records, and information so provided, hereby report that in our opinion and understandings, the Company, during the audit period covering the financial year ended on March 31, 2023, appears to have complied with the statutory provisions listed hereunder and also in our limited review, that the Company has proper and required 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, minutes' book, forms and returns filed and other records maintained by the Company and made available to us for the financial year ended on March 31, 2023, according to the applicable provisions of:

i) The Companies Act, 2013 (the Act) and the rules made thereunder;
ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
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 to the extent applicable;

v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992('SEBI ACT') to the extent applicable during the year:-

a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and
h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018

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

i. Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Meetings of the Board of Directors (SS-1) and General Meetings (SS-2).
ii. The Listing Agreements entered into by the Company with the National Stock Exchange of India Limited and The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We have examined, in a limited manner, the systems and processes in place to ensure compliance with specific laws like The Information Technology Act, 2000 and the rules made thereunder, considering and relying upon representations made by the Company and its Officers for systems and mechanism formed by the Company for compliances under these laws.

During the period under review, the Company has complied in accordance with the requirements to be met with the applicable provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above to the extent applicable during the year, except for delay in filing forms on few occasions with the MCA, CSR related compliances.

It is represented to us that the company has initiated measures, wherever required, to address issues raised by the statutory authorities and letters/notices received by the Company during the financial year under various enactments as applicable to the company.

We further report that subject to the above, the related documents that we have come across depict that:

The Company's Board of Directors is constituted as applicable with proper balance of Executive Directors, Non-Executive Directors and Independent Directors, and 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 the agenda are 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 of the Board and Committees were unanimous, and the same was captured and recorded as part of the minutes; hence, no dissent is recorded in the minutes.

We further report that based on our limited review of the compliance mechanism established by the Company, there appear to be 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 and scope exists for improvement of same.

We further report that during the audit period, the Company has sought the approval of its members for the following major events other than transactions of ordinary business at the Annual General Meeting:

- Re-appointment of Dr. Mahalingam Vasudevan as Managing Director

We further report that our Audit was subjected only to verifying the adequacy of systems and procedures that are in place for ensuring proper compliance by the Company and we are not responsible for any lapses in those compliances on the part of the Company.

With respect to the applicable financial laws, such as direct and indirect tax laws, based on the information & explanations provided by the management and officers of the Company and certificates placed before the Board of Directors, we report that adequate systems are in place to monitor and ensure compliance.

For S Dhanapal & Associates LLP
(LLPIN: ACB-0368)

Place: Chennai
Date: 05.09.2023

N. Ramanathan
(Designated Partner)
FCS 6665
CP No. 11084
UDIN: F006665E000943051
Peer Review Certificate No. 1107/2021

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

Annexure A

To
The Members
CALIFORNIA SOFTWARE COMPANY LIMITED,
Chennai

Auditor's responsibility

Based on the audit, our responsibility is to express an opinion on the compliance with the applicable laws and maintenance of records by the Company. We conducted our audit in accordance with the auditing standards CSAS 1 to CSAS 4 ("CSAS") prescribed by the Institute of Company Secretaries of India ("ICSI"). These standards require that the auditor complies with statutory and regulatory requirements and plans and performs the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the CSAS. Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of 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.

For S Dhanapal & Associates LLP
(LLPIN: ACB-0368)

Place: Chennai
Date: 05.09.2023

N. Ramanathan
(Designated Partner)
FCS 6665
CP No. 11084
UDIN: F006665E000943051
Peer Review Certificate No. 1107/2021

ANNEXURE VI

DETAILS OF TOP TEN EMPLOYEES IN TERMS OF REMUNERATION DRAWN

Employee Name	Designation	Qualification	Age	Experience	Remuneration
Mr.Shahbaz Ahamad	DM	MBA	29	5	12,00000
Mr. Vijayakumar	WTD	M.C.A, M.B.A	52	25	10,00,000
Mr.Sai Kishore	Product Sales	MBA	29	8	8,50,000
Mr.Kartic Shiva	Support	BA	39	6.5	7,50.000
Mr. Dipankar	Sales	MBA	33	9	7,50,000
Mr. Gokul	IT Head	B.E IT	32	8	7,20,000
Mr. Nirali	Sales	BBA	26	7	7,00,000
Mr. Utsav Jain	Sales	Dip.in Animation	27	7	7,00,000
Mr. Yashwant	Project Head	BE	25	5	6,60,000
Mr. K Venkatesan	Company Secretary	ACS, FCA	59	31	6,00,000

- Details of the employees employed throughout the year and drawing remuneration which in the aggregate is not less than Rupees One Crore and Two Lakhs per annum, during the financial year: NIL
- Employees employed for a part of the financial year received remuneration for any aspect of that year, which, in the aggregate, exceeds Rupees Eight Lakhs and Fifty Thousand per month during the financial year: NIL

ANNEXURE – VII

CORPORATE GOVERNANCE CERTIFICATE

CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE AS STIPULATED UNDER CHAPTER IV OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, (AS AMENDED)

To,
The Members
CALIFORNIA SOFTWARE COMPANY LIMITED
CIN: L72300TN1992PLC022135
Workflo, Greeta Towers, Industrial Estate,
Perungudi OMR Phase 1, Chennai-600096

This certificate is being issued to California Software Company Limited ("the Company"), on compliance with the conditions of Corporate Governance as stipulated in regulations 17 to 27, clauses (b) to (i) of regulation 46(2), and para C, D, and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (collectively referred to as 'SEBI Listing Regulations, 2015') ('applicable criteria') with respect to Corporate Governance for the year ended March 31, 2023. The Company requires this report for annual submission to the Stock exchange and to be sent to the Shareholders of the Company.

Management Responsibility:
Compliance with the conditions of Corporate Governance as stipulated under Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) is the responsibility of the Management along with the Company's Board of Directors.

Our Responsibility:
Our examination was limited to procedures and implementation thereof adopted by the Company to ensure compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the Company's financial statements.

Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended March 31, 2023.

ANNEXURE – VII

CORPORATE GOVERNANCE CERTIFICATE

Opinion:

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Management along with the Board of Directors of the Company, we are of the opinion that the Company has complied with the conditions of Corporate Governance stipulated in regulations 17 to 27 of Chapter IV of Chapter IV and clauses (b) to (i) of Regulation 46(2) and Para C & D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("SEBI Listing Regulations") for the period from April 1, 2022 to March 31, 2023.

Other Matters and Restrictions on use:

This report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the SEBI Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For S Dhanapal & Associates LLP
Practising Company Secretaries
(LLPIN: ACB-0368)

N. Ramanathan
(Designated Partner)
FCS 6665
CP No. 11084
UDIN: F006665E000943150
Peer Review Certificate No. 1107/2021

Place: Chennai
Date: 05.09.2023

Annexure A

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

In pursuance to sub clause (i) of Clause 10 of Part C of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of M/s. California Software Company Limited (CIN L72300TN1992PLC022135), (hereinafter referred to as "Company"), we hereby certify that:

On the basis of the written representation/declaration received from Directors of the Company and taken on record by the Board of Directors of the Company for the year ended March 31, 2023, in our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and its Officers and considering the current COVID-19 pandemic situation, none of the Directors on the Board of the above said Company has been debarred or disqualified from being appointed or continuing as Director of Companies by SEBI / Ministry of Corporate Affairs or any such Statutory Authority.

Ensuring the eligibility for the appointment/ continuity of every Director on the Board is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these based on our verification. This Certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For S Dhanapal & Associates LLP

N. Ramanathan
(Partner)
FCS 6665
CP No. 11084
UDIN: F006665E000943337
Peer Review Certificate No. 1107/2021

Place: Chennai
Date: 06.09.2023

CORPORATE GOVERNANCE REPORT



CORPORATE GOVERNANCE REPORT

Good governance facilitates efficient, effective and entrepreneurial management that can deliver stakeholder value over the longer term. It is about commitment to values and ethical business conduct. It is a set of laws, regulations, processes and customs affecting how a company is directed, administrated, controlled or managed.
Good corporate governance underpins the success and integrity of the organisations, institutions and markets. It is one of the essential pillars for building an efficient and sustainable environment.

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

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

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

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

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

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

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

Philosophy on Code of Governance

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

- Follow the spirit of the law and not just the letter of the law. Corporate Governance standards should go beyond the law.
- Be transparent and maintain a high degree of disclosure levels. When in doubt, disclose it.
- Make a clear distinction between personal convenience and corporate resources.
- Communicate externally, in a truthful manner, about how the company is run internally.
- Have a simple and transparent corporate structure driven solely by business needs.
- Comply with the laws in all the countries where the company operates.
- Management is the trustee of shareholders' capital and not the owner.

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

BOARD OF DIRECTORS

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

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

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

BOARD SIZE AND COMPOSITION

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

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

During FY 2022-2023, the following changes took place in the composition of the Board of Directors:

- Resignation of Mr. Gopalakrishna Rao (DIN: 07556751) as Additional Director wef 31.01.2023
- Re-appointment of Mr. Mahalingam Vasudevan as Managing Director for five years effective from 23.12.2022.

- As of 31st March 2023, the Company had 9 (Nine) Directors, i.e., 5 Independent Directors including a women director, 1 Non-Executive/Non-Independent Director, 2 Whole-time Directors and 1 Managing Director. The Chairman is a Non-Executive/ Non-Independent Director. The composition of the Board conforms with Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- None of the Directors on the Board are Members of more than ten committees or act as Chairman of more than five committees across all Companies in which he is a Director. The Directors have disclosed to the Company the committee positions they occupy in other Companies and notify changes as and when they occur.
- The Board has met seven times during the year, and the gap between the two meetings did not exceed 120 Days. The said Meetings were held on 30.05.2022, 12.08.2022, 06.09.2022, 07.11.2022, 14.11.2023, 10.01.2023 and 14.02.2023.The necessary quorum was present for all the meetings. None of the Non-Executive Directors have any material pecuniary relationship or transactions with the Company.
- The minimum information required under Part A of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is available to the Board.

The Board has complete access to all information about the Company inter-alia; the following information is regularly provided to the Board, whenever applicable and materially significant, either as a part of the agenda papers well in advance of the Board meetings or tabled in the course of the Board meeting or tabled before the appropriate Committees of the Board.

a. Annual Operating plans & budgets and any updates thereof;
b. Capital budgets and any updates thereof;
c. Quarterly results of the Company, operating divisions and business segments;
d. Minutes of the Meetings of the Audit Committee and other Committees of the Board;
e. The information on recruitment and remuneration of senior officers just below the Board level, including the appointment or removal of Chief Financial Officer and Company Secretary;
f. Materially important show cause, demand, prosecution notices and penalty notices;
g. Fatal or severe accidents, dangerous occurrences, any material effluent or pollution problems;
h. Any material default in financial obligations to and by the Company or substantial non-payment for goods sold by the Company;
i. Any issue that involves possible public or product liability claims of a substantial nature, including any judgment or order that may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company;
j. Details of any joint venture or collaboration agreement;
k. Transactions that involve substantial payment towards goodwill, brand equity or intellectual property
l. Significant labour problems and their proposed solutions. Any significant human resources/industrial relations development, like signing a wage agreement, implementing a voluntary retirement scheme, etc.
m. Sale of material nature, of investments, subsidiaries, assets, which is not in the normal course of business;
n. Quarterly details of foreign exchange exposures and the steps taken by the management to limit the risks of adverse exchange rate movement, if material;
o. Non-compliance of any regulatory, statutory nature or listing requirements and shareholders service such as non-payment of dividends, delay in share transfer, etc.

The Board has established procedures to enable the Board to periodically review compliance reports of all laws applicable to the Company, prepared by the Company, as well as steps taken by the Company to rectify instances of non-compliance, if any.

COMPOSITION OF THE BOARD AND THE DIRECTORSHIP(S) / COMMITTEE MEMBERSHIP(S) / CHAIRMANSHIP(S) HELD ON MARCH 31, 2023, IS AS FOLLOWS:

Name and Designation of the Director	Category	Number of Board Meetings during 2022-23		Whether attended the last AGM	No. of Directorships in other companies		No. of Committee positions held in other Public Companies	
		Held	Attended	YES/NO	Chairman	Member	Chairman	Member
Frederick Ivor Bendle	Chairperson, Non-Executive Non-Independent Director	7	7	Yes	0	1	0	0
Vasudevan Mahalingam	Managing Director and CEO	7	7	Yes	0	0	0	0
Manimala Vasudevan	Executive Director	7	7	Yes	0	2	0	0
Vijayakumar Madhavan	Executive Director	7	7	Yes	0	2	0	0
AVN Srimathi	Non-Executive Independent Director	7	7	Yes	0	0	0	0
Sampath	Non-Executive Independent Director	7	7	Yes	0	0	0	0
RS Chandan	Non-Executive Independent Director	7	7	Yes	0	0	0	0
B Duraiswamy	Non-Executive Independent Director	7	7	Yes	0	0	0	0
Ashok Godavarthi	Non-Executive Independent Director	7	7	Yes	0	2	0	0

Therefore, as of March 31, 2023, the Board consisted of 9 members, of which one is the Promoter Director, Dr. M. Vasudevan, who is designated as Managing Director and Chief Executive Officer of the company.

Five of the total eight Directors are Independent Non-Executive Directors, including a women director, 1 Non-Executive/Non-Independent Director and two Whole-time Directors.
None of the Directors hold directorship in any other Public company, including Listed Companies.

Disclosure of relationships between directors inter-se
Ms. Manimala Vasudevan is the spouse of Dr. Vasudevan Mahalingam, Managing Director. None of the other Directors are related to each other.

FREQUENCY AND LENGTH OF MEETING OF THE COMMITTEES OF THE BOARD AND AGENDA

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

Number of shares and convertible instruments held by non-executive directors
Non–executive directors hold no shares or convertible instruments.

RISK MANAGEMENT

The Company, though not falling under the top 1000 companies based on market capitalisation in terms of SEBI LODR 2015, has voluntarily established robust risk assessment and minimisation procedures, which are reviewed by the Board periodically. The Company has a structure in place to identify and mitigate the various risks it would face from time to time. The risks are regularly reviewed, new risks are identified and assessed, and control measures are designed to implement a fixed timeline for mitigating the risk.

BOARD MEETINGS - FUNCTIONING AND PROCEDURE

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

Board Meeting - Frequency: The Board meets at least once a quarter to review the quarterly results and other items on the agenda. Whenever necessary, additional meetings are held. In case of business exigencies or urgent matters, resolutions are passed by circulation. The company effectively uses teleconferencing facilities to enable the participation of Directors who could not attend the meetings due to some exigencies.

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

Board Meeting - Matters: All divisions/departments of the company are advised to schedule their work plans in advance, particularly regarding matters requiring discussions/approval/decisions of the Board / Committee meetings. All such issues are communicated to the company Secretary in advance so that the same can be included in the Board / Committee meetings agenda.

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

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

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

Availability of information to Board members: The information placed before the Board includes annual operating plans and budgets, including operating and capital expenditure budgets, quarterly financial results of the company on both consolidated and standalone basis, financials of each of the subsidiaries and investments made by the subsidiaries, risk assessment and minimisation procedures, update on the state of the market for the business and the strategy, minutes of subsidiaries, minutes of all the Board committees, related party transactions, details of the treasury investments, details of foreign exchange exposure, update on statutory compliance report and reports of non-compliance, if any, information on recruitment/remuneration of senior officers, show cause/demand notices if any, details of joint ventures or collaboration agreements, significant changes in the accounting policies, sale of any material nature etc.

Post-meeting follow-up mechanism: The guidelines for Board and Committee(s) meetings facilitate an effective post-meeting follow-up review and reporting process for the decisions taken by the Board and Committee(s) thereof. The critical decisions taken at the Board / Committee(s) meetings are promptly communicated to the concerned departments/divisions. Action taken report on the decisions of the previous meeting(s) is placed at the immediately succeeding meeting of the Board / Committee(s) for information and review by the Board / Committee(s).

CODE OF CONDUCT

The Company has adopted the Code of Conduct for all its employees, including the Managing Director and Executive Directors, which is available on the website of the Company.The Board has also adopted a Code of Conduct for Non-Executive Directors of the Company, which incorporates the duties of the Independent Directors as laid down in Schedule IV to the Act, which is available on the website of the Company.

All the Board Members and Senior Management Personnel (as per Regulation 26 (3) of the Listing Regulations) have affirmed compliance with the applicable Code of Conduct. A declaration to this effect signed by the Managing Director & CEO forms part of this report. Senior management of the Company has made disclosures to the Board confirming that there are no material financial and commercial transactions between them and the Company that could have a potential conflict of interest with the Company at large.

INDEPENDENT DIRECTORS

All the Company's Independent Directors have been appointed as per the provisions of the Act and SEBI LODR 2015 as amended. Formal letters of appointment have been issued to Independent Directors. The terms and conditions of their appointment are disclosed on the Company's website.

DECLARATION BY INDEPENDENT DIRECTORS

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

In the board's opinion, it is confirmed that the independent directors fulfil the conditions specified in the SEBI (LODR) Regulations and are independent of the management.

INDEPENDENT DIRECTORS' MEETINGS

In terms of the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Independent Directors of the company shall meet at least once a year without the presence of Executive Directors and members of management. The Independent Directors met on 14.02.2023 and inter-alia discussed

- the performance of non-Independent Directors and the Board as a whole;
- the performance of the Chairperson of the company, taking into account the views of Executive Directors and Non-Executive Directors; and
- the quality, quantity and timeliness of the flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS

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

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

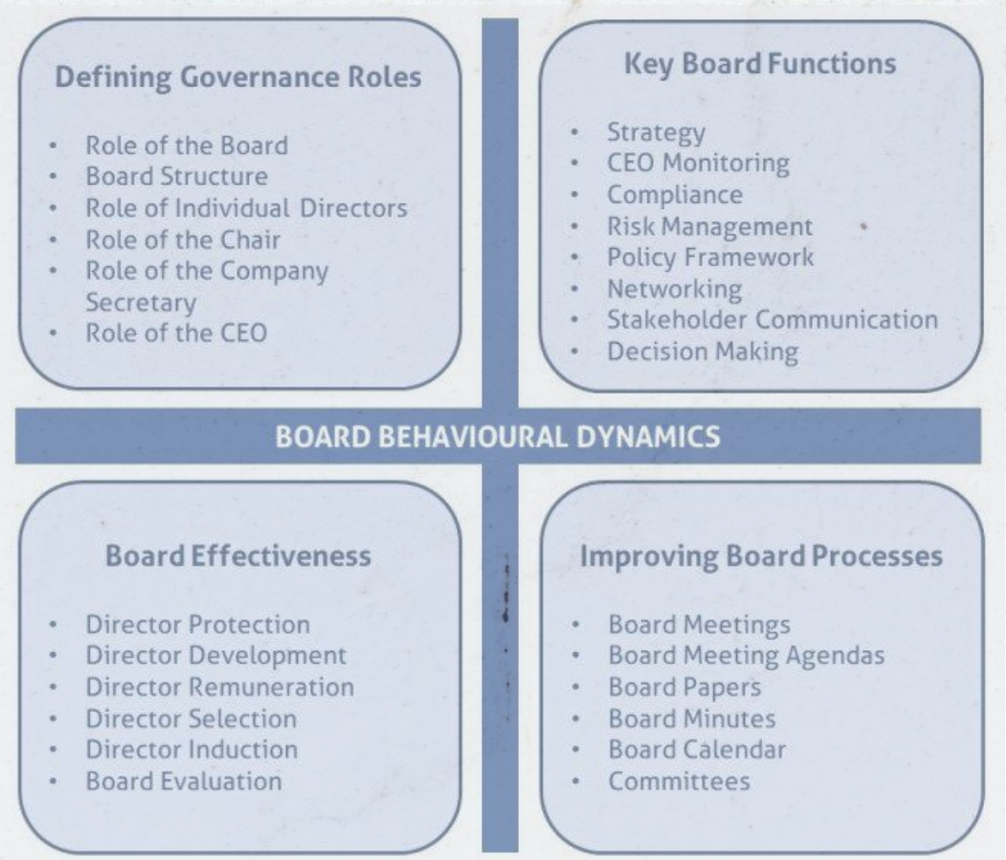
The details of such a familiarisation programme for Independent Directors are posted on the company's website and are available at https://www.calsof.com/investorsrelation.

SKILLS, EXPERTISE AND COMPETENCIES OF THE BOARD

The Board of Directors has based on the recommendations of the Nomination and Remuneration Committee ('NRC'), identified the following core skills/ expertise/competencies of Directors as required in the context of business of the Company and the sector in which it operates for its effective functioning:

SKILLS/ EXPERTISE /COMPETENCIES AVAILABLE WITH THE BOARD AND THE NAMES OF DIRECTORS WHO HAVE SUCH SKILLS / EXPERTISE / COMPETENCE

Name of Director	Skills/ expertise /competencies possessed
Mr. Vasudevan Mahalingam	All the Directors possess the required Management skills, have expertise and knowledge of the IT Industry and its operations and technology developments, and can run the business to the stakeholders' expectations. Ability to closely follow the competitive business environment and implement strategies for beneficial performance and compliance with the requirements of various statutes.
Mr. Frederick Ivor Bendle	
Mrs. Manimala Vasudevan	
Mr. Vijayakumar Madhavan	
Mrs. AVN Srimathi	
Mr. Sampath	
Mr. RS Chandan	
Mr. Ashok Suryachandra Rao Godavarthi	
Mr. Duraiswamy Basuvaiah	



BOARD EVALUATION (including performance evaluation criteria for independent directors)

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

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

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

The Board and the NRC reviewed the performance of the individual Directors based on criteria such as the contribution of the respective Director to the Board and Committee meetings, preparedness on the issues to be discussed, meaningful and constructive contributions and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.
In a separate meeting of the Independent Directors, the performance of Non-Independent Directors, the performance of the Board and the performance of the Chairman was evaluated. The same was discussed in the Board meeting that followed the meeting of the Independent Directors, at which the performance of the Board, its committees and the individual directors was discussed.

AUDIT COMMITTEE

Terms of reference

The Audit Committee functions in accordance with Section 177 of the Act, Regulation 18 of the Listing Regulations and its Charter adopted by the Board. During the year under review, the Audit Committee Charter was amended to align the role of the Committee with amendments to the Listing Regulations and SEBI (Prohibition of Insider Trading) Regulations, 2015. The terms of reference of the Audit Committee, inter alia, include:

- Oversight of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- Discuss and review with the management the annual/ half yearly/ quarterly financial statements and the auditor's report before submission to the Board for approval.
- Review the Company's accounting policies, internal accounting and financial controls, risk management policies and other matters.
- Discuss with the statutory auditors, before the audit commences, about the nature and scope of the audit, as well as post-audit discussion to ascertain any area of concern.
- Hold timely discussions with statutory auditors regarding critical accounting policies and practices, significant financial reporting issues, and judgments made.
- Recommend to the Board the appointment, re-appointment and, if required, the replacement or removal of statutory auditors, remuneration and terms of appointment of auditors, fixation of audit fees, and to approve payment for any other services rendered by the statutory auditors.
- Review and monitor the auditor's independence, qualification performance and effectiveness of the audit process.
- Review the management performance of the statutory and internal auditors.
- Review the adequacy of the internal audit function and the adequacy and efficacy of the internal control systems, including the structure of the internal audit department, approval of the audit plan and its execution, staffing and seniority of the official heading the department, reporting design, budget, coverage and frequency of internal audit.
-

- Evaluate internal financial controls and risk management systems.
- Scrutinize inter-corporate loans and investments.
- Review the utilisation of loans and advances from/ investment by the Company in the subsidiary Companies, exceeding Rs. 100 crores or 10% of the asset size of the subsidiary, whichever is lower.
- Discuss any significant findings with internal auditors and follow-up thereon.
- Review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud irregularity or failure of internal control systems of a material nature and report the issue to the Board.
- Look into the reasons for substantial defaults in payments to depositors, debenture holders, shareholders and creditors.
- Approve transactions, including any subsequent modifications, of the Company with related parties.
- Valuation of undertakings or assets of the Company, wherever necessary.
- Review and monitor the statement of use and application of funds raised through public offers and related matters.
- Review the functioning of the Whistle Blower mechanism.
- Review the system's effectiveness for monitoring compliance with laws and regulations and oversee compliance with legal and regulatory requirements, including the Tata Code of Conduct for the Company and its subsidiaries.
- Guide the Compliance Officer in setting forth policies and implementation of the Code of Conduct for Prevention of Insider Trading and the Code of Corporate Disclosure Practices.
- Review compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015, at least once in a financial year and verify that the Internal Controls systems are adequate and operating effectively.
- Oversee financial reporting controls and processes for subsidiary companies.
- Approve the appointment of the Chief Financial Officer after assessing the candidate's qualifications, experience and background.
- Generally, all items listed in Part C of Schedule II to the Listing Regulations and in Section 177 of the Act and any other function as is mentioned in the terms of reference of the Audit Committee.
-

MEETINGS HELD

During the financial year 2022-2023, the Audit Committee met five times on 30.05.2022, 12.08.2022, 07.11.2022, 14.11.2022 and 14.02.2023. The gap between the two Audit Committee meetings did not exceed 120 days. A necessary quorum was present at the above meetings.

The Managing Director and CEO, the Chief Financial Officer, and a representative of the Statutory Auditors usually attend the meetings of the Audit Committee. The Business and Operation Heads are invited to the Meetings when required. The Company Secretary acts as the Secretary to the Committee. Occasionally, the Audit Committee also meets without the presence of any Executives of the Company. The Chairperson periodically meets with the Statutory Auditors to discuss critical concerns.

Composition and Attendance during the year						
Audit Committee Meetings and Composition						
Directors	30-05-2022	12-08-2022	07-11-2022	14-11-2022	14-02-2023	Remarks
A V N Srimathi [Chairperson]	✓	✓	✓	✓	✓	NIL
Sampath	✓	✓	✓	✓	✓	NIL
R S Chandan	✓	✓	✓	✓	✓	NIL
B Duraiswamy	✓	✓	✓	✓	✓	NIL
Ashok Godavarthi	✓	✓	✓	✓	✓	NIL

In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 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. As of 31.03.2023, the Audit Committee of the Board consists of five "Non-Executive & Independent Directors" as members having adequate financial and accounting knowledge.

The audit committee's composition, procedures, powers, role/functions and 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.

NOMINATION AND REMUNERATION COMMITTEE

As mentioned below, the Nomination and Remuneration Committee comprises five Non-Executive Independent Directors as of 31st March 2023. The Chairman of the Committee is an Independent Director.

- Mrs. AVN Srimathi - Non-Executive - Independent Director - Chairman
- Mr. Sampath - Non-Executive - Independent Director
- Mr. R S Chandan - Non-Executive - Independent Director
- Mr. B Duraisamy - Non-Executive - Independent Director
- Mr. Ashok Godavarthi - Non-Executive - Independent Director

The role of the Remuneration Committee is:

a) To identify persons who are qualified to become directors and who may be appointed to senior management in accordance with the criteria laid down;

b) To recommend to the Board the appointment and removal of such identified persons;

c) To evaluate every director’s performance;

d) To formulate the criteria for determining qualifications, positive attributes, and independence of the director;

e) To formulate a policy relating to remuneration for directors, key managerial personnel and other employees;

f) To devise a policy on Board diversity;

g) The Committee has met four times during the financial year 2022-23 on 30-05-2022, 12-08-2022, 14-11-2022 and 14-02-2023.

Composition and Attendance during the year					
Nomination and Remuneration Committee Meetings and Composition					
Directors	30-05-2022	12-08-2022	14-11-2022	14-02-2023	Remarks
A V N Srimathi [Chairperson]	✓	✓	✓	✓	NIL
Sampath	✓	✓	✓	✓	NIL
R S Chandan	✓	✓	✓	✓	NIL
B Duraiswamy	✓	✓	✓	✓	NIL
Ashok Godavarthi	✓	✓	✓	✓	NIL

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

• Succession planning for certain key positions in the company, viz. Directors, Chief Executive Officer (CEO), Chief Operating Officer (COO), Chief Financial Officer (CFO) and Senior Management. The Committee to identify, screen and review candidates, inside or outside the company and provide its recommendations to the Board.

• Review and recommend to the Board the appointment and removal of directors / Key Managerial Personnel and persons in senior management. “Senior Management” shall mean corporate officers of the company.

• Carry out evaluation of all Directors and Board performance.

• Recommend a policy relating to the remuneration of Directors, Key Managerial Personnel and other employees to the Board.

The Nomination and Remuneration Committee, while formulating the policy described above, shall ensure that,

- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the company successfully;
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- Remuneration to Directors, Key Managerial Personnel and Senior Management involves balancing fixed and incentive pay reflecting short and long-term performance objectives appropriate to the company's work and goals.
- Formulate the criteria for determining the qualifications, positive attributes and independence of Directors.
- Devise a Policy on Board Diversity.
- Review and approve/recommend the remuneration for the company's Corporate Officers / Whole-Time Directors.
- Approve the inclusion of senior officers of the company as Corporate Officers.
- Approve promotions within the Corporate Officers.
- Regularly review the Human Resource function of the company.
- Approve grant of stock options to the employees and Directors (excluding Independent Directors and Promoter Directors) of the company and subsidiary companies, perform such other functions, and take such decisions as are required under the company's various Employees Stock Option Plans.
- Discharge such other function(s) or exercise such power(s) as may be delegated to the Committee by the Board from time to time.
- Make reports to the Board as appropriate.
- Review and reassess the adequacy of this charter periodically and recommend any proposed changes to the Board for approval from time to time.

POLICY ON SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

a)The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend their appointment, as per the Company's Policy;

b) The Committee has the authority to decide whether qualification, expertise and experience possessed by a person is sufficient/satisfactory for the position;

c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years, provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution;

REMUNERATION POLICY AND CRITERIA OF MAKING PAYMENTS TO EXECUTIVE AND NON-EXECUTIVE DIRECTORS

The company's remuneration policy is aimed at rewarding performance, based on a review of achievements regularly and is in consonance with existing industry practices. The criteria for making payments to the Executive and Non-Executive Directors of the company are as follows:

Executive Directors

The remuneration of the Executive Directors is recommended by the Nomination and Remuneration Committee to the Board. After approval by the Board, the same is put up for shareholders' approval. Executive Directors do not receive any sitting fees for attending the Board and Committee meetings. During the year, only one Executive Director received remuneration from the Company. There are no separate provisions for the service of notice period and payment of severance fee by the Executive Directors at the time of their termination. No stock options are issued to any director.

Non-Executive Directors:

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

Yearly Remuneration paid to Executive Directors				
Name & Designation of the Executive Director	**Salary & Allowances (Rs.)**	**Contribution to PF & other Funds (Rs.)**	**Other perquisites or benefits include reimbursing medical expenses and car facility (Rs.)**	**Total**
Mr. Vijayakumar Madhavan, Whole-Time Director	10,00,000	NIL	NIL	10,00,000
Ms. Manimala Vasudevan, Whole-Time Director	12,00,000	NIL	NIL	12,00,000

There are no pecuniary relationship or transactions of the non-executive directors vis-à-vis the listed entity

SUCCESSION PLANNING

The Nomination and Remuneration Committee evaluates and recommends to the Board the leadership succession plan to ensure orderly succession in appointments to the Board and to the Senior Management. In addition, promoting senior management within the organisation fuels the ambitions of the talent force to earn future leadership roles.

STAKEHOLDERS' RELATIONSHIP COMMITTEE (FORMERLY KNOWN AS SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE)

The Company has a Stakeholders Grievance Committee (formerly known as Shareholders'/Investors' Grievance Committee) of the Board of Directors to look into the redressal of complaints of shareholders/investors' such as transfer or credit of shares, non-receipt of dividend/notices/annual reports, etc.

During the year, the Stakeholders Grievance Committee (formerly known as Shareholders'/Investors' Grievance Committee) comprises six members of the Board, as on 31st March 2023, namely Dr. Vasudevan Mahalingam, Mrs. AVN Srimathi, Mr. Sampath, Mr. RS Chandan, Mr. B Duraisamy and Mr. Ashok Godavarthi. Five members are Non-Executive and Independent Directors, and one is Executive Director. Mr. Krishnamoorthy Venkatesan, the Company Secretary, acts as the Secretary of the Committee.

Composition and Attendance during the year					
Stakeholders Relationship Committee Meetings and Composition					
Directors	30-05-2022	12-08-2022	14-11-2022	14-02-2023	Remarks
A V N Srimathi [Chairperson]	✓	✓	✓	✓	NIL
Sampath	✓	✓	✓	✓	NIL
R S Chandan	✓	✓	✓	✓	NIL
B Duraiswamy	✓	✓	✓	✓	NIL
Ashok Godavarthi	✓	✓	✓	✓	NIL
Dr Vasudevan M	✓	✓	✓	✓	NIL

TERMS OF REFERENCE:

The Committee supervises the mechanism for redressal of shareholders'/investors' grievances and ensures cordial investor relations.

The Committee takes care of the following matters:

- Redressal of Shareholders'/Investors' complaints like transfer of shares, non-receipt of annual report, non-receipt of declared dividend, etc.
- Scrutiny of the performance of the Registrar & Share Transfer Agent and recommending measures for overall improvement of the quality of service.
- Any allied matter(s) out of and incidental to these functions and not herein above provided explicitly for

Details of Complaints received during the year

- Number of complaints received from investors - 0
- Number of complaints resolved - 0
- Number of complaints remaining unresolved and pending - 0
- Number of complaints not solved to the satisfaction of shareholders - 0

NATURE OF COMPLAINTS RECEIVED AND REDRESSED DURING 2022-23		
SL. NO.	NATURE OF COMPLAINTS	RECEIVED & REDRESSED DURING THE YEAR
1	Correspondence regarding demat / general	0
2	Correspondence regarding non-receipt of share certificate, transfer/transmission of shares	0
3	Revalidation of dividend warrants / non-receipt of dividend warrants/status of dividend payment	0

Compliance Officer

The Name and designation of the Compliance Officer of the Company:

Mr. Krishnamoorthy Venkatesan,
Company Secretary & Compliance Officer
Workflo, Greeta Towers, Industrial Estate,
Perungudi, OMR Phase 1,
Chennai - 600096
Ph: 9884223183
Email ID: cs@calsoftgroup.com

OTHER COMMITTEES

Risk Management Committee and Finance Committee were dissolved due to non requirement of those Committees. However when the need arise in future the same shall be reconstituted by the board.

INDEPENDENT DIRECTORS MEETING

During the year under review, the Independent Directors met one time during the year inter alia, to discuss:

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.

DECLARATION BY INDEPENDENT DIRECTORS

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

TRAINING AND FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS

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

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

On being inducted into the Board, every independent director attends an orientation program. To familiarise the new directors with the strategy, operations and functions of our Company, the executive directors/ senior managerial personnel make presentations to the inductees about the Company's strategy, operations, product offerings, organisation structure, human resources, technologies, facilities and risk management.

Further, at the time of appointment of independent directors, the Company issues a formal letter of appointment outlining their role, functions, duties and responsibilities as a director. The detailed familiarisation program for independent directors is hosted on the website of the Company, and the weblink for the same is www.calsoftgroup.com
The details of such a familiarisation programme for Independent Directors are posted on the company's website and are available at https://www.calsof.com/investorsrelation.

PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, an annual performance evaluation of the performance of the Board, the Directors individually, as well as the evaluation of the working of the Board Committees was carried out based on the criteria and framework adopted by the Board.

The Independent Directors' evaluation was done with the main focus on their adherence to the Corporate Governance practices and their efficiency in monitoring the same. They are also being evaluated on various parameters, viz., active participation in strategic planning, fiduciary responsibilities, participation in Board and Committee meetings, etc.,

Apart from the above, the performance of Non-Independent Directors and the Board as a whole in terms of prudent business practices adopted by them towards the governance of the operations of the Company, adherence to the highest standards of integrity and business ethics, exercising their responsibilities in bona fide manner in the best interest of the Company and not allowing any extraneous consideration that shall impede their decision making authority in the best interest of the Company was also carried out to evaluate their performance.

The performance evaluation of the Non-Independent Directors was carried out by the entire Board of Directors (excluding the director being evaluated). The Directors expressed their satisfaction with the evaluation process, which considered their commitment and exercising their responsibilities in the Company's best interest. The performance of the Chairman of the Company was reviewed by the Independent Directors, who ensured, during their review, that the Chairman conducted the Board proceedings in an unbiased manner without any conflict with his interest at any point in time. The Independent Directors further ascertained that the Chairman allowed the Board Members to raise any concerns on any businesses of the Board during their Meetings and addressed them in the Company's best interest.

SUBSIDIARY COMPANIES

Regulation 16(1)(c) of the Listing Regulations defines a material subsidiary as a subsidiary whose income or net worth exceeds 20% of the consolidated income or net worth, respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year. During the year under review, the Company did not have any unlisted material subsidiary incorporated in India and was, therefore, not required to have an Independent Director of the Company on the Board of such subsidiary under Regulation 24 of the Listing Regulations.

The Company's Audit Committee reviews the consolidated financial statements of the Company and the financial statements of the subsidiaries, including the investments made by the subsidiaries. The minutes of the Board Meetings, along with a report of the significant transactions and arrangements of the unlisted subsidiaries, are periodically placed before the Company's Board of Directors.

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

GENERAL BODY MEETINGS

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

DATE, TIME AND VENUE OF THE LAST THREE AGM'S			
FINANCIAL YEAR	**DATE**	**TIME OF COMMENCEMENT**	**VENUE**
2019-20	30th September, 2020	5.00 P.M.	2nd Floor, Unit 9, STPI Building, 5 Rajiv Gandhi Road, Taramani, Chennai – 600113 through video conferencing (VC)/Other Audio-Visual Means (OAVM)
2020-21	25th August 2021	4.00 P.M.	Workflo, Greeta Towers, Industrial Estate, Perungudi OMR Phase 1, Chennai – 600096 through video conferencing (VC)/Other Audio-Visual Means (OAVM)
2021-22	29th September 2022	11.00 A.M.	Workflo, Greeta Towers, Industrial Estate, Perungudi OMR Phase 1, Chennai – 600096 through video conferencing (VC)/Other Audio-Visual Means (OAVM)

No special resolution was passed at the Company's Annual General Meeting held on 29th August 2022.

During the year 2022-23, approval of members was obtained through postal ballot on 13.02.2023 for the following:

1. Appointment of M/s. K. Gopal Rao& Co., Chartered Accountants, Chennai (ICAI Regn. No. 000956S) as the Company's Statutory Auditor to fill the casual vacancy caused by the Resignation of M/s. M.K.Dandekar& Co., Chartered Accountants;

The postal ballot process was Scrutinized by Mr. N. Ramanathan (FCS: 6665), Designated Partner at M/s. S Dhanapal & Associates LLP, Practising Company Secretaries, Chennai (Formerly known as M/s. S Dhanapal & Associates, a firm of Practising Company Secretaries), who acted as scrutiniser for conducting the postal ballot process.

No Extra Ordinary General Meeting of the Company was held during the year 2022-23.

At the **Annual General Meeting of the Company held on 25th August 2021**, the following special resolution was passed as follows: -

1. Rights issue of equity shares
2. Alteration to Articles of Association of the Company
3. Fixing of Remuneration for Dr. Manimala Vasudevan (DIN: 01980557) Whole-time Director and Chief Operating Officer
4. Appointment of Mr. Vijayakumar Madhavan (DIN: 07892448) as Whole-time Director of the Company

During the year 2021-22, approval of members was obtained through postal ballot on 18.03.2022 for the following:

1. Appointment of M/s. M.K. Dandeker & Co., Chartered Accountants, Chennai (ICAI Regn. No. 000679S) as the Company's Statutory Auditor to fill the casual vacancy caused by the Resignation of M/s. N. Naresh & Co., Chartered Accountants;

2. Approval to borrow money up to Rs. 200 Crores

3. Approval for the creation of Charge, Mortgage and hypothecation on the immovable and movable assets of the Company as per the provision of the Companies Act, 2013.

The postal ballot process was Scrutinized by Mr. N. Ramanathan (FCS: 6665), Designated Partner at M/s. S Dhanapal & Associates LLP, Practising Company Secretaries, Chennai (Formerly known as M/s. S Dhanapal & Associates, a firm of Practising Company Secretaries), who acted as scrutiniser for conducting the postal ballot process.

There was no Extra Ordinary General Meeting of the Company held during the year 2021-22

At the **Annual General Meeting of the Company held on 30th September 2020**, the following special resolution was passed as follows: -

1. Approval for Material Related Party Transaction;

DISCLOSURES

MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS

There have been no materially significant related party transactions, monetary transactions or relationships between the company and its Directors, management, subsidiary or relatives, except for those disclosed in the financial statements for the financial year 2022-23. Detailed information on materially significant related party transactions is enclosed in Annexure II to the Board Report. A Policy on Related Party Transactions formulated pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, entered into by the company with the Stock Exchanges and approved by the Board, is available on the website of the company at https://www.calsof.com/investorsrelation.

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

COMPLIANCES BY THE COMPANY

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

The company has complied with all requirements of SEBI (LODR) Regulations, 2015, relating to disclosures in the corporate governance report.

All requisite disclosures of compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (LODR) Regulations, 2015, as applicable, have been made in this report.

OTHER DISCLOSURES

1. The company has the Whistle Blower Policy, and no personnel has been denied access to the Audit Committee.
2. During the year, the company did not raise any money through public, right, or preferential issues, and no unspent cash was raised through such matters.
3. In terms of the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company has in place an “Archival Policy” and a “Policy for Determination of Materiality of Events or Information”. Both the policies are available on the website of the company at www.calsof.com
4. A certificate from a company secretary in practice that none of the directors on the company's board have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority is annexed to this report.

CEO / CFO CERTIFICATION

The Certificate, as stipulated in Regulation 17 (8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Part B of Schedule II, was placed before the Board along with the financial statements for the financial year ended March 31, 2021, and the Board reviewed the same. The said Certificate is provided elsewhere in the Annual Report.

WHISTLE BLOWER POLICY

The principles of trust through transparency and accountability are at the core of the company's existence.

To ensure strict compliance with ethical and legal standards across the company, a Whistle Blower Policy is in place to provide appropriate avenues to the Directors, employees, contractors, contractors' employees, clients, vendors, internal or external auditors, consultants, law enforcement / regulatory agencies or other third parties to bring to the attention of the management any issues which are perceived to be of unethical behaviour, actual or suspected fraud or violation of the company's Code of Business Ethics and Conduct. All cases registered under the Whistle Blower Policy of the company are reported to the external Ombudsperson, who carries out preliminary investigations. Complaints received against senior management staff are overseen by the Chairman's Office, and those against other employees/staff by the company's Chief Ethics Officer.

The Whistle Blower has direct access to the Chief Ethics Officer, the Ombudsperson, and the senior management to share complaint details. The identity of the whistleblower is kept confidential.

The Audit Committee reviews the policy and its implementation periodically and is provided a quarterly update on the status of various complaints received and investigated. The policy is available on the website of the company at www.calsof.com

CODE FOR PREVENTION OF INSIDER TRADING

SEBI vide its Circular No. LD-NRO/GN/2014-15/21/85 dated 15th January 2015 have introduced SEBI (Prohibition of Insider Trading) Regulations 2015, effective from 15th May 2015. Regulation 8 contained under Chapter IV of SEBI (Prohibition of Insider Trading) Regulations, 2015, mandates listed companies to formulate a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (hereinafter referred to as "Code") and Regulation 9 (1) contained under Chapter IV of SEBI (Prohibition of Insider Trading) Regulations, 2015 mandates listed companies to formulate a Code of Conduct (hereinafter referred to as "Code") to regulate, monitor and report trading by its employees and other connected persons, towards achieving compliance with the said Regulations, adopting the minimum standards, set out in Schedule B to the Regulations.

In compliance with the above SEBI regulation on the Prevention of Insider Trading, the Company has instituted a comprehensive code of conduct and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information for its management and staff. The code lays down guidelines, which advise them on procedures to be followed and disclosures to be made while dealing with shares of the Company and cautioning them of the consequences of violations. Dealings in the Company's shares by the Board Members and Senior Management Personnel have been reported to the Committee periodically.

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

FEES PAID TO STATUTORY AUDITOR

A total fee of Rs. Six lakhs was paid by the Company and its subsidiaries, on a consolidated basis, for all services to K Gopal Rao & Co., Statutory Auditors for the year 2022-23.

PREVENTION AND REDRESSAL OF SEXUAL HARASSMENT AT WORKPLACE POLICY

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

Any harassment complaints shall be treated under this Policy. This Policy is not confined to the actual working place of the employees in the sense of the physical space in which paid work may be performed as per the prescribed duty hours but also includes any place visited by the employee arising out of or during the course of employment. The company has constituted a committee for the redressal of all sexual harassment complaints. These matters are also being reported to the Audit Committee. During the year ended March 31, 2023, the company has received zero complaints on sexual harassment that were classified as significant incidents for investigation, all of which were disposed of and appropriate actions taken, and no complaints remain pending as of March 31, 2023.

a. number of complaints filed during the financial year - Nil
b. number of complaints disposed of during the financial year - NIL
c. the number of complaints pending as of the end of the financial year - NIL

COMPLIANCE WITH MANDATORY AND NON-MANDATORY REQUIREMENTS OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

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

1. Shareholders' Rights

The Company regularly does statutory filings as required under SEBI (LODR) Regulations, 2015, and periodically updates the website of the Company. When approved by the Board, the financial results are hosted in the investor column of the Company's website, from which any shareholders can easily access and obtain the requisite information on the Company.

2. Audit Qualifications

The Auditor's Qualification and the Directors' Responses to the same are covered in the Directors' Report.

3. Separate posts of CFO and CEO

Separate individuals hold the positions of the CFO and the CEO.

4. Reporting of Internal Auditor

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

5. Compliance Certificate regarding compliance of conditions of corporate governance from the Auditors or practising company secretaries

The certificate dated September 06, 2023, was obtained from Mr. N. Ramanathan, Partner at M/s. S Dhanapal & Associates, Practising Company Secretaries, Chennai, confirming compliance with the Corporate Governance requirements as stipulated under Schedule V read with Regulation 34 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed hereto.

MEANS OF COMMUNICATION

Quarterly Results: Quarterly Results of the company are generally published inter alia in Financial Express & Makkal Kural.

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

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

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

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

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

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

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

GENERAL SHAREHOLDER INFORMATION

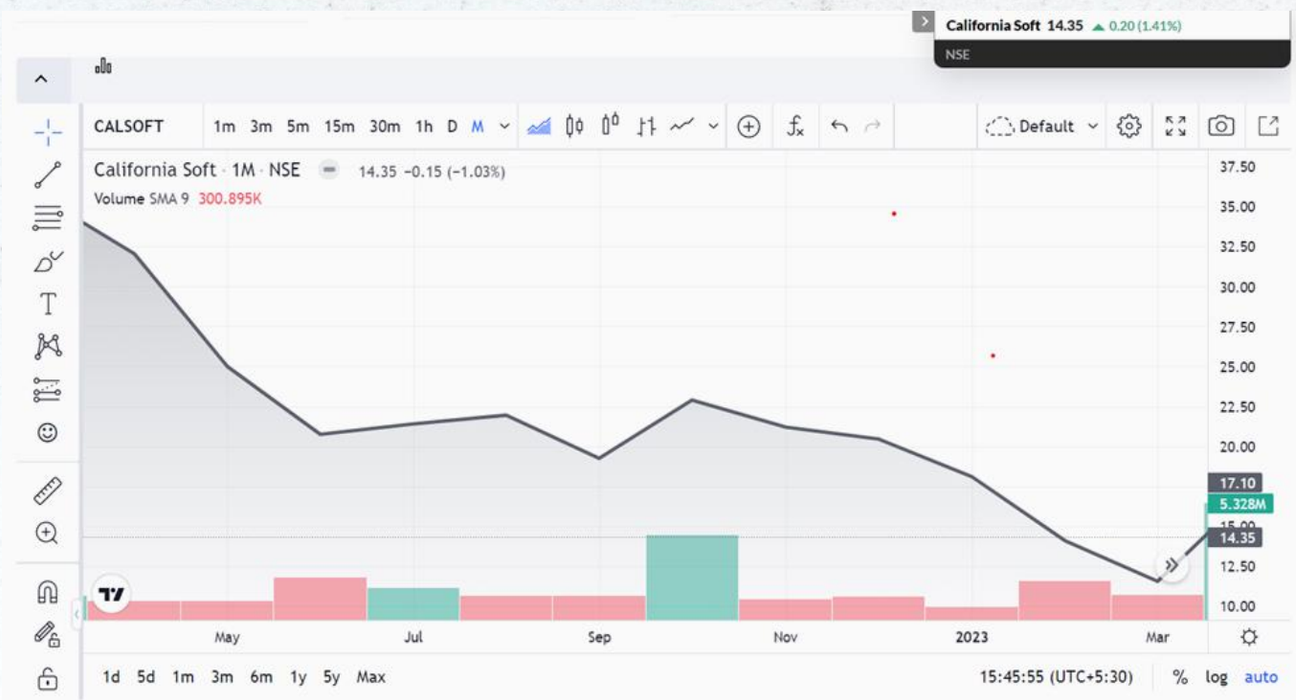
a	**Annual General Meeting:** **Date** **Time** **Venue**	**Friday, September 29, 2023** 01.30 P.M. Video Conferencing (VC)/Other Audio-Visual Means (OAVM)
b	Financial Year	01st April 2022 to 31st March 2023
c	Date of Book Closure	September 22, 2023 to September 29, 2023 (both days inclusive)
d	Dividend Payment Date (subject to the approval of shareholders)	N.A.
e	Listing of Equity Shares on stock exchanges in India	The National Stock Exchange of India Ltd. (NSE) Exchange Plaza, 5th Floor, Plot No. C / 1, G Block, Bandra Kurla Complex, Bandra East, Mumbai – 400 051, India. Tel.: +91-22-26598236, Fax: +91-22-26598237 BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001, India Tel.: +91-22-22721233, Fax: +91-22-22723121
f	Stock Codes	NSE – CALSOFT BSE – 532386
g	ISIN for Equity Shares	INE526B01014
h	Listing of Non-Convertible Debentures on Stock exchanges in India	N.A.
i	Debenture Trustee	N.A.
j	ISIN for Debentures	N.A.
k	Listing Fees	Paid to all Stock Exchanges for the year 2022-23
l	Corporate Identification Number (CIN) of the Company	L72300TN1992PLC022135
m	Registered Office	Workflo, Greeta Towers, Industrial Estate, Perungudi OMR Phase 1, Chennai-600096

STOCK MARKET PRICE DATA

The details of the monthly high and low prices of the Equity Shares of the company and its comparison to broad-based indices BSE Sensex and NSE Nifty for the period April 1, 2022, to March 31, 2023, are as follows:

Month	BSE		NSE	
	High	Low	High	Low
April 2022	39.70	30.50	35.90	34.14
May 2022	33.00	22.00	28.25	26.17
June 2022	24.80	19.30	22.82	20.99
July 2022	24.00	20.05	22.31	21.13
August 2022	24.45	20.50	22.78	21.77
September 2022	22.55	18.00	21.95	20.90
October 2022	25.10	15.50	21.66	20.01
November 2022	24.90	18.15	22.29	21.22
December 2022	22.80	17.60	21.43	20.16
January 2023	21.55	17.90	20.28	19.45
February 2023	19.05	13.95	17.87	16.26
March 2023	15.00	11.32	13.95	13.01

PERFORMANCE OF THE SHARE PRICE OF THE COMPANY IN COMPARISON WITH BSE SENSEX AND NSE NIFTY



REGISTRARS AND TRANSFER AGENTS

Name and Address :
Integrated Registry Management Services Private Limited
(Unit: California Software Co Ltd)
2ndFloor, KencesTowers,
1, RamakrishnaStreet, NorthUsmanRoad, T Nagar,
Chennai -600017India
Tel:+91-44-28140801to28140803
Email:yuvraj@integratedindia.in

INVESTOR CORRESPONDENCE ADDRESS

California Software Company Limited
Secretarial Department
Workflo, Greeta Towers,
Industrial Estate,
Perungudi, OMR Phase 1,
Chennai-600096 India
Tel:+91-44-4201 6100
Email: investor@calsoftgroup.com

SHARE TRANSFER SYSTEM

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

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

As of March 31, 2021, no equity share was pending transfer.

RECONCILIATION OF SHARE CAPITAL AUDIT REPORT

As required under Regulation 55A of SEBI (Depositories and Participants), Regulations, 1996, the reconciliation of share capital audit report on the total admitted capital with National Securities Depository Limited ("NSDL") and Central Depository Services (India) Ltd. ("CDSL") and the total issued and listed capital for each of the quarter in the financial year ended March 31, 2023, was carried out.

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

S. No.	Particulars	No. of Shares	% of the total issued capital
1	Listed Capital	1,54,57,106	100
2	Held in Dematerialisation form – NSDL	1,02,26,983	67.42
3	Held in Dematerialisation form - CDSL	51,38,014	32.36
4	Physical shares	92,109	0.58

SHAREHOLDING AS ON MARCH 31, 2023

DISTRIBUTION OF EQUITY SHAREHOLDING AS ON MARCH 31, 2023

Sl. No	No. of Shares Held	Shareholders		Shares held	
		Number	%	Number	%
1	Upto 500	11600	82.54	1293538	8.37
2	501 – 1000	1088	7.74	894429	5.79
3	1001 – 2000	577	4.11	877595	5.68
4	2001 – 3000	215	1.53	556606	3.60
5	3001 – 4000	111	0.79	399406	2.58
6	4001 – 5000	127	0.90	601408	3.89
7	5001 – 10000	186	1.32	1394403	9.02
8	10001 and above	150	1.07	9439721	61.07
Total		**14054**	**100.00**	**15457106**	**100.00**

CATEGORIES OF EQUITY SHAREHOLDING AS ON MARCH 31, 2023

SHAREHOLDING PATTERN

Category	Number	Shares	% of Shares Held
Promoters	1	5522972	35.73
Directors & Relatives (Excluding Independent Directors & Nominee Directors)	1	206363	1.34
UTI	1	300	0.00
NRI / Foreign National	129	445018	2.88
Body Corporate	33	215842	1.40
Individual Shareholders holding Nominal Share Capital up to Rs.2Lakhs	13164	6660958	43.09
Individual Shareholders holding Nominal Share Capital in excess of Rs.2 Lakhs	48	2002275	12.95
Clearing Member	9	10226	0.07
Corporate Body-Limited Liability Partnership	2	12001	0.08
Limited Liability Partnership	1	43000	0.28
HUF	179	280464	1.81
Margin Trading Account-Corporate	6	57586	0.37
Margin Trading Account-Individual	1	1	0.00
Trusts	1	100	0.00
Total	**14054**	**15457106**	**100.00**

CODE OF BUSINESS ETHICS AND CONDUCT

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

The Code is posted on the website of the company, www.calsof.com
All Board members and senior management personnel have confirmed compliance with the Code for the financial year ending March 31, 2023. A declaration to this effect signed by the Managing Director and Chief Executive Officer of the company is provided elsewhere in this Report.

DISCLOSURE OF ACCOUNTING TREATMENT IN PREPARATION OF FINANCIAL STATEMENTS

The Company has followed the guidelines of accounting standards laid down by the Institute of Chartered Accountants of India (ICAI) in preparation of its financial statements.

DEMATERIALISATION OF SHARES AND LIQUIDITY

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

The system for getting the shares dematerialised is as follows:

a. Share certificate(s) along with Demat Requisition Form (DRF) is to be submitted by the shareholder to the Depository Participant (DP) with whom they have opened a Depository Account.
b. DP processes the DRF and generates a unique number viz. DRN.
c. DP forwards the DRF and shares certificates to the company's Registrar and shares Transfer Agent.
d. The company's Registrar & Shares Transfer Agent, after processing the DRF, confirms or rejects the request to the Depositories.
e. Upon confirmation, the Depository gives the credit to the shareholder in their depository account maintained with DP.

As of March 31, 2023, more than 99 % of the equity shares issued by the company are held in dematerialised form. The company's equity shares are regularly traded on NSE and BSE in dematerialised form.

Since the trading in the company's shares can be done only in electronic form, the shareholders who have the shares in physical form should get their shares dematerialised.

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

As of March 31, 2023, the company has not issued any GDRs / ADRs / Warrants or other instruments pending conversion.

COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

The Company does not carry out any hedging activities or has any forex exposure.

PLANT LOCATIONS

The Company operates only from one location, which is its registered office located at Workflo, Greeta Towers, Industrial Estate, Perungudi OMR Phase 1, Chennai - 600096

ADDRESS FOR CORRESPONDENCE

Mr. Vijayakumar M
Executive Director
California Software Company Limited
Workflo, Greeta Towers, Industrial Estate,
Perungudi OMR Phase 1, Chennai – 600096
Tel: +91- 9444860882

DETAILS OF DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT
- NIL

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

This is to confirm that the Company has adopted a Code of Conduct for the members of the Board and the Senior Management Personnel, and these Codes are available on the Company's website, www.calsoftgroup.com. I confirm that the members of the Board and the Senior Management Personnel have complied with the Code of Conduct in respect of the financial year ended March 31, 2023,

For CALIFORNIA SOFTWARE COMPANY LIMITED

Mahalingam Vasudevan
Managing Director / CEO

Place: Chennai
Date: September 06, 2023

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

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

I, further confirm that the company has in respect of the financial year ended March 31, 2022, received from its Board members as well as senior management personnel affirmation as to compliance with the Code of Conduct.

For CALIFORNIA SOFTWARE COMPANY LIMITED

Mahalingam Vasudevan
Managing Director / CEO

Place: Chennai
Date: September 06, 2022

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

To

The Members

California Software company Limited

Dear members of the Board,

1. We have reviewed the financial statements and the cash flow statement of the company for the year ended March 31, 2023, and to the best of our knowledge and belief -

(i) These statements do not contain any materially untrue information, omit any material fact or control statements that might be misleading;

(ii) These statements present an accurate and fair view of the company's affairs and comply with existing accounting standards, applicable laws and regulations.

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

3. We accept responsibility for establishing and maintaining internal controls for financial reporting, and we have evaluated the effectiveness of the company's internal control systems pertaining to financial reporting. We have yet to come across any reportable deficiencies in the design or operation of such internal controls.

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

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

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

(iii) we have become aware of no significant fraud instances.

Mahalingam Vasudevan
Chief Executive Officer and Managing Director

Vijayakumar Madhavan
Whole time Director

Place: Chennai

Date: September 06, 2023



STANDALONE IND AS FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To the Members of California Software Company Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone quarterly and year-to-date financial results of M/s. California Software Company Limited (the company) for the quarter and year ended March 31, 2023, attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, except for the effect of matters described in the Basis for Qualified Opinion section of our report, the aforesaid standalone financial results:

i. are presented in accordance with the requirements of the Listing Regulations in this regard; and

- give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India of the net profit/loss and other comprehensive income and other financial information of the company for the quarter and year ended March 31, 2023.

Basis for Qualified Opinion

1. Balances appearing in Current Tax Asset (net) amounting to Rs.380.02 Lakhs under Current Assets in the Standalone Financial Results are subject to reconciliation. The effect of the non-reconciliation is not quantifiable.
2. Balances appearing in Investment in Equity Instrument of Subsidiary amounting to Rs.311,38 Lakhs, grouped under the head Investments under Non-Current Financial Assets in the Standalone Financial Results, is subject to Impairment testing. The effect of Impairment loss for the said Investment is not quantifiable.
3. Balances appearing in Trade receivables amounting to Rs.1,713.63 Lakhs, under Current Financial Assets in the Standalone Financial Results are subject to reconciliation and confirmation from the customers. Consequent impact of non collection of receivables shall impair GST exemption on Exports which needs to be provided. The effect of the non-confirmation / non-reconciliation is not quantifiable.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India and the ethical requirements relevant to our audit of the financial results under the provisions of the Companies Act, 2013 and the Rules thereunder. We have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibilities for the Standalone Financial Results

The statement of Standalone Financial Results has been prepared on the basis of the annual standalone financial statements. The Company's Board of Directors are responsible for the preparation and presentation of the financial results that give a true and fair view of the net profits/loss and other comprehensive income and other financial information of the company in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors of the company is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Results

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, related safeguards.

For K. GOPAL RAO & CO.,
Chartered Accountants.

CA. MADAN GOPAL NARAYANAN
PARTNER|M.NO. 211784
UDIN: 23211784BGVGOP6516

Place: CHENNAI
Date: MAY 30, 2023

California Software Company Limited

CIN: L72300TN1992PLC022135
Registered Office: Workflo, Greeta Towers, Industrial Estate, Perungudi, OMR Phase 1, Chennai 600096
Phone +91 94448 60882
Email: investor@calsoftgroup.com www.calsoftgroup.com/www.calsof.com

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Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results - *(Standalone)*

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2023 [*See* Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I.	**S.No.**	**Particulars**	**Audited Figures (as reported before adjusting for qualifications) (Rs.in Lakhs)**	**Adjusted Figures (audited figures after adjusting for qualifications) (Rs.in Lakhs)**
	1.	Turnover / Total income	276.41	Not applicable since impact is not ascertainable
	2.	Total Expenditure	246.52	
	3.	Net Profit/(Loss)	22.12	
	4.	Earnings Per Share	0.14	
	5.	Total Assets	2817.58	
	6.	Total Liabilities	1347.24	
	7.	Net Worth	1469.77	
	8.	Any other financial item(s) (as felt appropriate by the management)	Nil	Nil
II.	**Audit Qualification (each audit qualification separately):**			
	A. Details of Audit Qualification:		(i) Balances appearing in 'Current Tax Asset (net)' amounting to Rs.380.02 Lakhs, under Current Assets in the Standalone Financial Results are subject to reconciliation. The effect of the non-reconciliation is not quantifiable. (ii) Balances appearing in 'Investment in Equity Instrument of Subsidiary' amounting to Rs.311.38 Lakhs, grouped under the head Investments under Non-Current Financial Assets in the Standalone Financial Results is subject to Impairment testing. The effect of Impairment loss for the said Investment is not quantifiable. (iii) Balances appearing in 'Trade receivables' amounting to Rs. 1,713.63 Lakhs, under Current Financial Assets in the Standalone Financial Results are subject to reconciliation and confirmation from the customers. Consequent impact of non-collection of receivables shall impair GST exemption on exports which needs to be provided. The effect of the non-confirmation / non-reconciliation is not quantifiable.	
	B. Type of Audit Qualification:		Qualified Opinion	

California Software Company Limited

CIN: L72300TN1992PLC022135
Registered Office: Workflo, Greeta Towers, Industrial Estate, Perungudi, OMR Phase 1, Chennai 600096
Phone +91 94448 60882
Email: investor@calsoftgroup.com www.calsoftgroup.com/www.calsof.com

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	C. Frequency of qualification:	Appeared second time
	D. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views	Not applicable
	E. For Audit Qualification(s) where the impact is not quantified by the auditor: **(i) Management's estimation on the impact of audit qualification.**	Not Ascertainable
	(ii) If management is unable to estimate the impact, reasons for the same:	**Managements View:** a) **On audit qualification 2(A)(i) of the statement:** For the above referred observation of the Auditors, balances appearing in 'Current Tax Asset (net)' amounting to Rs.380.02 Lakhs, under Current Assets in the Standalone Financial Results pertains to various previous years and the assessment is pending before the various appellate authorities and the management is confident of winning cases in favour of the Company. b) **On audit qualification 2(A)(ii) of the statement:** For the above referred observation of the Auditors, balances appearing in 'Investment in Equity Instrument of Subsidiary' amounting to Rs.311.38 Lakhs, grouped under the head Investments under Non-Current Financial Assets in the Standalone Financial Results. These investments are good in nature and the management is confident of realizing the investments in the near future with good yield and profits. If the said investment is not realizable then management will calculate impairment loss and will recognize in the future. c) **On audit qualification 2(A)(iii) of the statement:** For the above referred observation of the Auditor, Balances appearing in 'Trade receivables' amounting to Rs. 1,713.63 Lakhs, under Current Financial Assets in the Standalone Financial Results are subject to reconciliation

California Software Company Limited

CIN: L72300TN1992PLC022135
Registered Office: Workflo, Greeta Towers, Industrial Estate, Perungudi, OMR Phase 1, Chennai 600096
Phone +91 94448 60882
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Realize Your Ideas

		and confirmation from the customers. The major revenue of the company is from the digital marketing and the realization of the trade receivables will be happening in the coming years. Necessary provisions will be made.
	(iii) **Auditors' comments on (i) or (ii) above:**	No comments further to the "Details of Audit Qualification"
III.	**Signatories:**	
	• **CEO/Managing Director**	**For CALIFORNIA SOFTWARE COMPANY LIMITED** **Dr. Mahalingam Vasudevan**
	• **CFO**	**For CALIFORNIA SOFTWARE COMPANY LIMITED** **Ms. Manimala**
	• **Audit Committee Chairman**	**For CALIFORNIA SOFTWARE COMPANY LIMITED** **A.V.N. Srimathi**
	• **Statutory Auditor**	**For K. GOPAL RAO & CO.,** Chartered Accountants ICAI Firm registration no. 000656S **Madan Gopal Narayanan** Partner Membership no. 211784

Place : Chennai
Date : May 30, 2023

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

Re: California Software Company Limited (the Company)

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

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

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

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

(iii) According to the information and explanations, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b), and (c) of the Order do not apply to the Company and hence are not commented upon.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

For K.Gopal Rao & Co
Chartered Accountants,
Firm Registration No. 000956S

Madan Gopal Narayanan
Partner
Chartered Accountants
Membership No. 211784

Place of Signature: Chennai
Date: May 30, 2023

TABLE 1. BALANCE SHEET AS AT 31 MARCH 2023

Particulars	Note no.	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
I. Assets				
1. Non-current assets				
a) Property, plant and equipment	1	35,305,800	44,207,810	44,207,810
b) Financial assets				
(i) Investments	2	31,137,969	31,137,969	31,137,969
c) Deferred tax asset		918,342	399,831	-
Total non-current assets		**67,362,111**	**75,745,611**	**75,345,779**
2. Current assets				
a) Financial assets				
(i) Trade receivables	3	171,363,317	144,637,764	36,137,765
(ii) Cash and cash equivalents	4	314,959	284,255	95,017
(iii) Bank balances other than (ii) above		103,172	103,172	103,172
(iv) Other Financial Assets		1,491,478	1,049,478	715,271
b) Current tax asset (net)		38,002,148	38,002,148	55,897,631
c) Other current assets	5	3,065,277	2,235,476	1,878,886
Total current assets		**214,340,352**	**186,312,293**	**94,827,742**
Total assets		**281,702,462**	**262,057,903**	**170,173,521**
II. Equity and Liabilities				
Equity				
a) Equity share capital	6	154,571,060	154,571,060	154,571,060
b) Other equity		(7,593,503)	(9,805,374)	(55,326,139)
Total equity		**146,977,557**	**144,765,686**	**99,244,921**
Liabilities				
1. Non-current liabilities				
a) Deferred Tax Liabilities	7	-	-	375,778
Total non-current liabilities		-	-	375,778
2. Current liabilities				
a) Financial liabilities				
(i) Borrowings	8	63,656,243	48,971,617	16,997,179
(ii) Trade payables	9	3,522,649	3,396,126	2,697,665
(iii) Other financial liabilities		59,603,172	59,603,172	57,603,172
b) Other current liabilities	10	7,942,841	5,321,303	4,009,950
Liabilities directly associated with assets classified as held for sale				
Total current liabilities		**134,724,905**	**117,292,218**	**81,307,966**
Total liabilities		**134,724,905**	**117,292,218**	**81,683,744**
Total equity and liabilities		**281,702,462**	**262,057,904**	**180,928,664**

The accompanying notes form an integral part of these standalone financial statements

As per our report of even date attached

For K.Gopal Rao & Co — alf of the Board of Directors

Chartered Accountants,

Firm Registration No. 000956S

Madan Gopal Narayanan

Partner — M. Vasudevan — M. Vijayakumar

Membership No. 211784 — naging Director — Director

Date: May 30, 2023

Place: Chennai

TABLE 2. STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED MARCH 31, 2023

Column1	Particulars	Note no	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
I	Revenue from operations	11	27,641,127	108,571,560	14,550,000
II	Other income, net	12	-	1,000	-
III	**Total income**		**27,641,127**	**108,572,560**	**14,550,000**
IV	**Expenses**				
	Employee benefit expense	13	10,058,289	13,457,304	4,011,653
	Depreciation and amortisation expens	14	8,966,810	11,133,582	2,958,913
	Other expenses	15	5,627,013	20,840,835	4,952,499
	Total expenses		**24,652,112**	**45,431,721**	**11,923,065**
V	Profit before exceptional items and tax		**2,989,014**	**63,140,839**	**2,626,935**
VI	Exceptional items		-	-	-
VII	Profit before tax		2,989,014	63,140,839	2,626,935
VIII	Tax expense				
	(i) Current tax		1,295,654	18,395,683	307,225
	(ii) Deferred tax		(518,511)	(775,609)	375,778
IX	Profit for the period		2,211,871	45,520,765	1,943,932
X	Other Comprehensive Income				
	a) Items that will not be reclassified to Profit or Loss			-	-
	b) Income tax relating to items that will not be reclassified to Profit or Loss			-	-
	c) Items that will be reclassified to Profit or Loss			-	-
	d) Income tax relating to items that will be reclassified to Profit or Loss			-	-
XI	Total Comprehensive Income for the period		2,211,871	45,520,765	1,943,932
XII	Earnings per equity share				
	Equity shares of par value Rs. 10 each				
	Basic		0.14	2.94	0.13
	Diluted		0.14	2.94	0.13
	Numbers of shares				
	Basic		15,457,106	15,457,106	15,457,106
	Diluted		15,457,106	15,457,106	15,457,106

The accompanying notes form an integral part of these standalone financial statements

As per our report of even date attached

For K.Gopal Rao & Co
Chartered Accountants,
Firm Registration No. 000956S

For and on behalf of the Board of Directors

Madan Gopal Narayanan
Partner
Membership No. 211784

Dr. M. Vasudevan
Managing Director

M. Vijayakumar
Director

Date: Date: May 30, 2023
Place: Chennai

TABLE 3. STATEMENT OF CHANGES IN EQUITY

Particulars	Equity share capital	Other equity										Total equity attributable to equity holders of the Company
		Reserves and surplus						Other comprehensive income			Total	
		Securities premium	Retained earnings	General reserve	Optionally Convertible Redeemable Preference Shares	Capital reserve		Equity instruments through other comprehensive income	Effective portion of cash flow hedges	Other items of other comprehensive income / (loss)		
						Capital reserve	Capital business transfer adjustment reserve					
Balance as at April 1, 2021	154,571,060	949,056,932	(1,074,640,562)	65,864,241	4,187,000	206,250	-	-	-	-	- 55,326,139	99,280,606
Changes in equity for the year		-	-	-		-	-	-	-	-	-	-
Profit for the year	-	-	45,520,765	-		-	-	-	-	-	45,520,765	45,520,765
Transfer to general reserve	-	-	-	-		-	-	-	-	-	-	-
Dividends	-	-	-	-		-	-	-	-	-	-	-
Balance as at March 31, 2022	**154,571,060**	**949,056,932**	**-1,029,119,797**	**65,864,241**	**4,187,000**	**206,250**	-	-	-	-	**-9,805,374**	**144,801,371**

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023
(All amounts in lakhs of (‘ ’), except share data and as stated otherwise)

ORGANISATION AND NATURE OF OPERATIONS
California Software Company Limited (from now on referred to as “the Company”) is primarily engaged in providing a range of software development services, business process outsourcing services and IT infrastructure services. The Company was incorporated under the provisions of the Companies Act applicable in India in February 1992, having its registered office at Workflo, Greeta Towers, Industrial Estate, Perungudi, OMR Phase 1, Chennai 600096, INDIA.
The Company leverages its infrastructure and professionals to deliver solutions across selected verticals, including financial services, manufacturing (automotive, aerospace, Hi-tech, semi-conductors), life sciences & healthcare, public services (oil and gas, energy and utility, travel, transport and logistics), retail and consumer products, telecom, media, publishing and entertainment.

The financial statements for the year ended 31st March 2023 were approved and authorised for issue by the Board of Directors on 30th May 2023.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time). These financial statements have been prepared under the historical cost convention on accrual and going concern basis, except for the following assets and liabilities, which have been measured at fair value:
a) Derivative financial instruments,
b) Certain financial assets and liabilities (refer to accounting policy regarding financial instruments)
The accounting policies adopted in preparing these financial statements are consistent with those of the previous year. The Company uses the Indian rupee (‘ ’) as its reporting currency.

(b) Use of estimates

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

(c) Business combinations and goodwill

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

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

Goodwill is initially measured at cost, the excess of the aggregate of the consideration transferred, the amount recognised for non-controlling interest, and any previous interest held over the net identifiable assets acquired and liabilities assumed. Suppose the fair value of the net assets acquired is more than the aggregate consideration transferred. In that case, the excess is recognised as a capital reserve after reassessing the fair values of the net assets.

(d) Foreign currency and translation

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

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

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

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

(e) Fair value measurement

The Company records certain financial assets and liabilities at fair value regularly. The Company determines appropriate values based on the price it would receive to sell an asset or pay to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or most advantageous market for that asset or liability.
The Company holds certain fixed-income securities, equity securities and derivatives, which must be measured using the guidance for fair value hierarchy and related valuation methodologies. The guidance specifies an order of valuation techniques based on whether the inputs to each measurement are observable or unobservable. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect the Company's assumptions about current market conditions. The fair value hierarchy also requires an entity to maximise observable inputs and minimise using unobservable inputs when measuring fair value. The prescribed fair value hierarchy and related valuation methodologies are as follows:

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

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

Level 3 - Valuations derived from valuation techniques, in which one or more significant inputs are unobservable, supported by little or no market activity.
In accordance with Ind AS 113, assets and liabilities are to be measured based on the following valuation techniques:

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

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

c) Cost approach – Replacement cost method.

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

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

(f) Revenue recognition

Contracts involving the provision of services

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

Time-and-material contracts

Revenue concerning time-and-material contracts is recognised as the related services are performed.

Fixed Price contracts

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

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

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

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

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

Multiple-element arrangements

When a sales arrangement contains multiple elements, such as services, hardware and software products and licenses, the revenue of each component is determined based on its fair value. Revenue recognition for delivered elements is limited to the amount not contingent on the future delivery of products or services, future performance obligations or subject to customer-specified return or refund privileges.

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

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

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

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

Interest income

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

(g) Income taxes

Income tax expense comprises current and deferred income tax.

Income tax expense is recognised in the statement of profit and loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity. Current income tax for the present and prior periods is the amount expected to be paid to or recovered from the tax authorities, using the tax rates and laws enacted or substantively enacted by the balance sheet date. Provision for income tax includes the impact of provisions established for uncertain income tax positions.

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

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

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

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

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

(h) Property, plant and equipment

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

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

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

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

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

(i) Intangible assets

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

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

Gains or losses arising from the derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the asset's carrying amount. They are recognised in the profit and loss statement when the asset is derecognised.
The intangible assets are amortised over the estimated useful life of the assets as mentioned below, except certain Licensed IPRs, which include the right to modify, enhance or exploit, are amortised in proportion to the expected benefits over the helpful life, which could range up to 15 years.

(j) Research and development costs

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

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

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

(k) Borrowing costs

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

Borrowing costs consist of interest and other costs that an entity incurs in connection with borrowing funds. Borrowing costs also include exchange differences to the extent of adjusting the borrowing costs.

(l) Inventory

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

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

(m) Impairment of non-financial assets Goodwill

Goodwill is tested annually on March 31 for impairment, or sooner when there is an indication that goodwill may be impaired, relying on several factors, including operating results, business plans and future cash flows. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the Company's cash-generating units (CGU) expected to benefit from the synergies arising from the business combination. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Impairment occurs when the carrying amount of a CGU, including the goodwill, exceeds the estimated recoverable amount of the CGU. The recoverable amount of a CGU is the higher of its fair value, less cost to sell, and its value-in-use. Value-in-use is the present value of future cash flows expected to be derived from the CGU. Total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU, pro-rata, on the basis of the carrying amount of each asset in the CGU.

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

Intangible assets and property, plant and equipment

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

(n) Provisions

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

(p) Retirement and other employee benefits

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

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

iii. Gratuity liability: The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment of an amount based on the respective employee's base salary and the tenure of employment (subject to a maximum of Rs. 20 lacs per employee). The liability is actuarially determined (using the projected unit credit method) at the end of each year. Actuarial gains/losses are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the year 2021-22 in which they occur.

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

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

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

(q) Equity settled stock-based compensation

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

(r) Financial Instruments

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

i. Financial assets

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

Cash and short-term deposits

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

Financial assets at amortised cost

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

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

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or expenses that are an integral part of the EIR. The EIR amortisation is included in other income in the profit and loss statement. The losses arising from impairment are recognised in the view of profit and loss. This category includes cash and bank balances, loans, unbilled revenue, trade and other receivables.

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

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

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

b) The asset's contractual cash flows represent principal and interest payments. Financial assets included within the OCI category are measured initially and at each reporting date at fair value. Fair value movements are recognised in OCI. Interest income is recognised in the statement of profit and loss for debt instruments. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from OCI to the statement of profit and loss.

Financial assets at Fair Value through Profit and Loss

Any financial asset that does not meet the criteria for categorisation at amortised cost or fair value through other comprehensive income is classified at fair value through profit and loss. Financial assets included at the fair value through the profit and loss category are measured at fair value with all changes recognised in the profit and loss statement.

Equity investments

Equity investments in subsidiaries are measured at cost. Derecognition of financial assets
A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.
Impairment of financial assets
The Company recognises loss allowances using the expected credit loss (ECL) model for the financial assets that are not fair valued through profit and loss. Lifetime ECL allowance is recognised for trade receivables with no significant financing component. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL unless there has been a significant increase in credit risk from initial recognition, in which case they are measured at lifetime ECL. The profit and loss statement recognises the expected credit losses (or reversal) required to adjust the loss allowance at the reporting date.

ii. Financial liabilities

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

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

After initial recognition, financial liabilities are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in the profit and loss statement when the liabilities are derecognised and through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or expenses that are an integral part of the EIR. The profit and loss statement includes the EIR amortisation as finance costs.

Derecognition

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

iii. Derivative financial instruments and hedge accounting

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

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

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

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

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

Offsetting of financial instruments

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

(s) Dividend

The final dividend proposed by the Board of Directors is recognised upon approval by the shareholders, who have the right to decrease but not increase the amount of dividend recommended by the Board of Directors. Interim dividends are recognised on a declaration by the Board of Directors.

(t) Earnings per share (EPS)

Essential EPS amounts are computed by dividing the net profit attributable to the company's equity holders by the weighted average number of equities outstanding during the year.

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

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

(u) Recently issued accounting pronouncements

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

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

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

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

Ind AS 115, Revenue from Contract with Customers

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

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

The standard permits two possible methods of transition:

o Retrospective approach: In this approach, the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

o Retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application (Cumulative catch - approach)

TABLE 4. PROPERTY, PLANT AND EQUIPMENT

Particulars	Computers and Accessories	Total
Gross carrying value as at April 1, 2022	44,207,810	44,207,810
Additions	64,800	64,800
Deletions	-	-
Gross carrying value as at March 31, 2023	44,272,610	44,272,610
Particulars	Computers and Accessories	Total
Accumulated depreciation as on April 1, 2022	-	-
Depreciation	11,133,582	11,133,582
Accumulated depreciation as on delitions	-	-
Accumulated depreciation as on March 31, 2023	11,133,582	11,133,582
Carrying value as at March 31, 2023	35,305,800	33,139,028

TABLE 5. ADVANCES, TRADE RECEIVABLES, CURRENT AND NON-CURRENT INVESTMENTS, OTHER CURRENT ASSETS

Note: 2 Investments and assets held for sale			
Particulars	**As at March 31, 2023**	**As at March 31, 2022**	**As at March 31, 2021**
Non Current Investments			
Investment in Equity instruments of subsidiaries	31,137,969	31,137,969	31,137,969
Total carrying value	**31,137,969**	**31,137,969**	**31,137,969**

Particulars	**As at March 31, 2023**	**As at March 31, 2022**	**As at March 31, 2021**
Non-current			
Unquoted			
Investment carried at cost			
Investment in equity instruments of subsidiaries	31,137,969	31,137,969	31,137,969
Aspire communication, Mysore, India			
20,00,000 (20,00,000) equity shares, fully paid up	**31,137,969**	**31,137,969**	**31,137,969**

Note: 3 Trade receivable

Particulars	**As at March 31, 2023**	**As at March 31, 2022**	**As at March 31, 2021**
Current			
Trade receivables	171,363,317	144,637,764	36,137,765
Unsecured, Considered good			
Total trade receivables	**171,363,317**	**144,637,764**	**36,137,765**
(1) Includes dues from companies where directors are interested			

Note: 4 Cash and cash equivalents

Particulars	**As at March 31, 2023**	**As at March 31, 2022**	**As at March 31, 2021**
Balances with Banks	256,635	228,454	25,965
In current and deposit accounts			
Cash on hand	58,325	55,799	69,052
	314,959	**284,253**	**95,017**
Bank balances other than above			
Balances with banks- Unpaid dividend accounts	103,172	103,172	103,172

*Of the above Rs.51163/- was due for Investor Protection and education fund 29/08/2014. Company transferred the amount on 04/05/2015 and filed necessary forms.

Note: 5 Other current assets

Particulars	**As at March 31, 2023**	**As at March 31, 2022**	**As at March 31, 2021**
GST Input Tax Credit	3,065,277	2,235,476	1,878,886
	3,065,277	**2,235,476**	**1,878,886**

Note: 5 Other current financial assets

Particulars	**As at March 31, 2023**	**As at March 31, 2022**	**As at March 31, 2021**
Other Loans and advances	1,211,626	769,626	435,419
Rental Advance	279,852	279,852	279,852
	1,491,478	**1,049,478**	**715,271**

TABLE 6. SHARE CAPITAL

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Authorised Capital			
2,10,00,000 Equity Shares of Rs.10/- each with equal voti	210,000,000	210,000,000	210,000,000
40,00,000 Preference Shares of Rs.10/- each with equal voting rights	40,000,000	40,000,000	40,000,000
	250,000,000	**250,000,000**	**250,000,000**

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Issued, Subscribed and paid up			
1,54,57,106 Equity Shares of Rs.10/- each with equal voting rights	154,571,060	154,571,060	154,571,060
4,18,700 Optionally Convertible Redeemable Preference Shares(OCRPS) at Rs.10	4,187,000	4,187,000	4,187,000
	158,758,060	158,758,060	158,758,060

(The paid up share capital includes shares worth Rs. 7,24,920 which were issued by the company in October 1994 for consideration other than cash)

Name of the Share Holder	As at March 31, 2023		As at March 31, 2022		As at March 31, 2021	
Shareholders holding more than 5% of total shares						
Vasudevan M	55,22,972	35.73%	55,22,972	35.73%	55,22,972	35.73%
Chemoil	17,46,533	11.27%	17,46,533	11.27%	17,46,533	11.27%
Closing Balance	72,69,505	47.00%	72,69,505	47.00%	72,69,505	47.00%

Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
At the beginning of the period	15,875,806	15,875,806	15,875,806
Add : Shares issued	-	-	-
Less : Shares bought back	-	-	-
At the end of the period	**15,875,806**	**15,875,806**	**15,875,806**

TABLE 7. FINANCIAL LIABILITIES, TRADE PAYABLES, OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Loan from Directors	63,656,243	48,971,617	16,997,179
Total	**63,656,243**	**48,971,617**	**16,997,179**

Note: 9 Trade payables

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Trade payables	3,522,649	3,396,126	2,697,665
Total	**3,522,649**	**3,396,126**	**2,697,665**

Note: 9 Other financial liabilities

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Liability towards capital goods	57,500,000	57,500,000	57,500,000
Unpaid dividends	103,172	103,172	103,172
Other Advances	2,000,000	2,000,000	-
Total	**59,603,172**	**59,603,172**	**57,603,172**

Note: 10 Other current liabilities

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Statutory liabilities	7,051,341	4,429,803	3,288,449
Audit Expenses Payable	650,458	650,458	480,458
Gratuity Payable	135,278	135,278	135,278
Provision for Dividend on OCRPS	35,685	35,685	35,685
Other Current Liabilities	70,079	70,079	70,079
Total	**7,942,841**	**5,321,303**	**4,009,949**

TABLE.8. REVENUE, EMPLOYEE BENEFITS AND OTHER EXPENSES

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Sale of Services	27,641,127	108,571,560	14,550,000
Total	**27,641,127**	**108,571,560**	**14,550,000**

Note: 12 Other Income

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
UPI ID TESTING	-	1,000	
Foreign exchange gain	-	-	
Total	-	**1,000**	-

Note: 13 Employee benefits expense

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Salary Expenses	10,032,704	13,432,261	4,011,653
Staff welfare expenses	25,585	25,043	
Total	**10,058,289**	**13,457,304**	**4,011,653**

Note: 14 Depreciation and Amortisation

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Depreciation & Amortisation	8,966,810	11,133,582	2,958,913
Total	**8,966,810**	**11,133,582**	**2,958,913**

Note: 15 Other Expenses

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Maintenance expenses			741,000
Rent - Office	1,700,160	1,829,934	1,292,265
Communication expenses	36,538		164,452
Listing fees	560,000		583,200
Travel Expenses	319,650	908,809	
Bad debts written off			
Audit Fee	510,000	700,000	500,000
Secretarial & Professional Fees	514,900	1,647,558	530,206
Director's Sitting fees			-
Foreign Exchange Loss		-	766,092
Share Maintenance Charges	140,332	89,002	24,451
ROC Fees	65,260	11,440,571	10,800
Server Rental expenses		65,000	88,500
Depository Charges		97,200	105,207
Other Expenses	565,424	3,371,858	-
Advertisement	814,559	669,909	55,488
Bank Charges	7,051	1,221	6,497
Rates and Taxes	3,500	-	67,841
Administration Expenses	7,100	19,773	16,500
Website and Domain Charges	382,538		
Total	**5,627,013**	**20,840,835**	

“Keeping True Heart of Kindness, Determination and Perseverance, Striving for Success, Sharing and Growing with the Customers”





CONSOLIDATED IND
AS FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF DIRECTORS OF.M/s. CALIFORNIA SOFTWARE COMPANY LIMITED

Report on the audit of the Consolidated Financial Results Qualified Opinion

We have audited the accompanying Statement of Consolidated Financial Results of M/s. California Software Company Limited ("Holding company") and its subsidiary (holding company and its subsidiaries together referred to as "the Group"), for the quarter and year ended March 31, 2023 ("the Statement"), being submitted by the holding company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us except for the effect of matters described in the Basis for Qualified Opinion section of our report the aforesaid Consolidated Financial Results:

a. Includes the results of the M/s. California Software Company Limited (the Company) and its subsidiary - M/s. Aspire Communications Private Limited.

b. are presented in accordance with the requirements of the Listing Regulations, as amended; and

c. gives a true and fair view, in conformity with the applicable accounting standards, and other accounting principles generally accepted in **India, of consolidated net profit/Loss and other comprehensive income and other financial information** of the Group for the quarter and year ended March 31, 2023

Basis for Qualified Opinion

1. Balances appearing in Current Tax Asset (net) amounting to Rs.380.02 Lakhs, under Current Assets in the Consolidated Financial Results are subject to reconciliation. The effect of the non-reconciliation is not quantifiable.
2. Balances appearing in Trade receivables amounting to Rs.1,713.63 Lakhs, under Current Financial Assets in the Consolidated Financial Results are subject to reconciliation and confirmation from the customers. Consequent impact of non collection of receivables shall impair GST exemption on Exports which needs to be provided. The effect of the non-confirmation / non-reconciliation is not quantifiable.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Results section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibilities for the Consolidated Financial Results

The statement of consolidated financial results has been prepared on the basis of the annual consolidated financial statements. The Company's Board of Directors are responsible for the preparation and presentation of the consolidated financial results that give a true and fair view of the net profit/loss and other comprehensive income and other financial information of the Group in accordance with the Indian Accounting Standard prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Board of Directors of the company are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial **controls, that were operating effectively for ensuring accuracy and completeness of the accounting** records, relevant to the preparation and presentation of the consolidated financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors of the company are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Results

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and jointly controlled entities to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and jointly controlled entities to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial results, including the disclosures, and whether the consolidated financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group to express an opinion on the consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors. For the other entities included in the consolidated Financial Results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

Other Matters

The consolidated Financial Results include the unaudited Financial Results of the subsidiary, whose Financial Statements reflect Group's share of total assets of Rs. 0.01 lakhs as at March 31, 2023, Group's share of total revenue of Rs. Nil and Rs. Nil and Group's share of total net profit/(loss) after tax of Rs. Nil and Rs. Nil for the quarter and year ended March 31, 2023, as considered in the consolidated Financial Results. These unaudited Financial Results have been furnished to us by the Board of Directors and our opinion on the consolidated Financial Results, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on such unaudited Financial Statements. In our opinion and according to the information and explanations given to us by the Board of Directors, the Financial Results of this subsidiary are not material to the Group.

The Statement includes the results for the quarter ended March 31, 2023 being the balancing figure between audited figures in respect of the full financial year and the year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

Our opinion on the consolidated Financial Results is not modified in respect of the above matters.

For K. GOPAL RAO & CO.,
Chartered Accountants.

CA. MADAN GOPAL NARAYANAN
PARTNER|M.NO. 211784
UDIN: 23211784BGVGOQ4758
Date: May 30, 2023
Place: Chennai

California Software Company Limited

CIN: L72300TN1992PLC022135

Registered Office: Workflo, Greeta Towers, Industrial Estate, Perungudi, OMR Phase I, Chennai 600096

Phone +91 94448 60882

Email: investor@calsoftgroup.com www.calsoftgroup.com/www.calsof.com

Realize Your Ideas

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results - *(Consolidated)*

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2023 [*See* Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I.	**S.No.**	**Particulars**	**Audited Figures (as reported before adjusting for qualifications) (Rs.in Lakhs)**	**Adjusted Figures (audited figures after adjusting for qualifications) (Rs.in Lakhs)**
	1.	Turnover / Total income	276.41	Not applicable since impact is not ascertainable
	2.	Total Expenditure	246.52	
	3.	Net Profit/(Loss)	22.12	
	4.	Earnings Per Share	0.1 4	
	5.	Total Assets	2506.75	
	6.	Total Liabilities	1348.78	
	7.	Net Worth	1157.97	
	8.	Any other financial item(s) (as felt appropriate by the management)	Nil	Nil
II.	**Audit Qualification (each audit qualification separately):**			
	A. Details of Audit Qualification:		(i) Balances appearing in 'Current Tax Asset (net)' amounting to Rs.380.02 Lakhs, under Current Assets in the Consolidated Financial Results are subject to reconciliation. The effect of the non-reconciliation is not quantifiable. (ii) Balances appearing in 'Trade receivables' amounting to Rs. 1,713.63 Lakhs, under Current Financial Assets in the Consolidated Financial Results are subject to reconciliation and confirmation from the customers. Consequent impact of non-collection of receivables shall impair GST exemption on exports which needs to be provided. The effect of the non-confirmation / non-reconciliation is not quantifiable.	
	B. Type of Audit Qualification:		Qualified Opinion	
	C. Frequency of qualification:		Appeared first time	
	D. For Audit Qualification(s) where the impact is quantified		Not applicable	

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	by the auditor, Management's Views	
	E. For Audit Qualification(s) where the impact is not quantified by the auditor: (i) **Management's estimation on the impact of audit qualification.**	Not Ascertainable
	(ii) **If management is unable to estimate the impact, reasons for the same:**	**Managements View:** a) **On audit qualification 2(A)(i) of the statement:** For the above referred observation of the Auditors, balances appearing in 'Current Tax Asset (net)' amounting to Rs.379.54 Lakhs, under Current Assets in the Consolidated Financial Results pertains to various previous years and the assessment is pending before the various appellate authorities and the management is confident of winning cases in favour of the Company. b) **On audit qualification 2(A)(ii) of the statement:** For the above referred observation of the Auditor, Balances appearing in 'Trade receivables' amounting to Rs. 1,713.63 Lakhs, under Current Financial Assets in the Consolidated Financial Results are subject to reconciliation and confirmation from the customers. The major revenue of the company is from the digital marketing and the realization of the trade receivables will be happening in the coming years. Necessary provisions will be made.
	(iii) **Auditors' comments on (i) or (ii) above:**	No comments further to the "Details of Audit Qualification"
III.	**Signatories:**	

California Software Company Limited

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Realize Your Ideas

	• CEO/Managing Director	For CALIFORNIA SOFTWARE COMPANY LIMITED Dr. Mahalingam Vasudevan
	• CFO	For CALIFORNIA SOFTWARE COMPANY LIMITED Ms. Manimala
	• Audit Committee Chairman	For CALIFORNIA SOFTWARE COMPANY LIMITED A.V.N. Srimathi
	• Statutory Auditor	For K. GOPAL RAO & CO., Chartered Accountants ICAI Firm registration no. 000656S Madan Gopal Narayanan Partner Membership no. 211784

Place: Chennai
Date: May 30, 2023

TABLE 1. CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2023

Particulars	Note no.	As at March 31, 2023	As at March 31, 2022
I. Assets			
1. Non-current assets			
a) Property, plant and equipment	1	35,305,800	44,207,810
c) Deferred tax asset		918,342	399,831
Total non-current assets		**36,224,142**	**75,745,611**
2. Current assets			
a) Financial assets			
(i) Trade receivables	3	171,363,317	144,637,764
(ii) Cash and cash equivalents	4	425,446	284,255
(iii) Bank balances other than (ii) above		103,172	103,172
(iv) Other Financial Assets		1,491,478	1,049,478
b) Current tax asset (net)		38,002,148	38,002,148
c) Other current assets	5	3,065,277	2,235,476
Total current assets		**214,450,839**	**186,312,293**
Total assets		**250,674,980**	**262,057,903**
II. Equity and Liabilities			
Equity			
a) Equity share capital	6	154,571,060	154,571,060
b) Other equity		(38,773,911)	10,237,065
Total equity		**115,797,149**	**144,765,686**
Liabilities			
1. Non-current liabilities			
a) Deferred Tax Liabilities	7	-	-
Total non-current liabilities		-	-
2. Current liabilities			
a) Financial liabilities			
(i) Borrowings	8	63,656,243	48,971,617
(ii) Trade payables	9	3,522,649	3,396,126
(iii) Other financial liabilities		59,603,172	59,603,172
b) Other current liabilities	10	8,095,767	5,321,303
Liabilities directly associated with assets classified as held for sale			
Total current liabilities		**134,877,831**	**117,292,218**
Total liabilities		**134,877,831**	**117,292,218**
Total equity and liabilities		**250,674,980**	**262,057,904**

The accompanying notes form an integral part of these standalone financial statements

As per our report of even date attached

For K.Gopal Rao & Co	For and on behalf of the Board of Directors	
Chartered Accountants,		
Firm Registration No. 0009568		
Madan Gopal Narayanan		
Partner	Dr. M. Vasudevan	Vijayakumar. M
Membership No. 211784	Managing Director	Executive Director
Date: May 30, 2023		
Place: Chennai		

TABLE 2. CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023

Column1	Particulars	Note no	For the year ended March 31, 2023	For the year ended March 31, 2022
I	Revenue from operations	11	27,641,127	108,571,560
II	Other income, net	12	-	1,000
III	**Total income**		**27,641,127**	**108,572,560**
IV	**Expenses**			
	Employee benefit expense	13	10,058,289	13,457,304
	Depreciation and amortisation expense	14	8,966,810	11,133,582
	Other expenses	15	5,627,013	20,840,835
	Total expenses		**24,652,112**	**45,431,721**
V	Profit before exceptional items and tax		**2,989,014**	**63,140,839**
VI	Exceptional items		-	-
VII	Profit before tax		2,989,014	63,140,839
VIII	Tax expense			
	(i) Current tax		1,295,654	18,395,683
	(ii) Deferred tax		(518,511)	(775,609)
IX	Profit for the period		2,211,871	45,520,765
X	Other Comprehensive Income			
	a) Items that will not be reclassified to Profit or Loss			-
	b) Income tax relating to items that will not be reclassified to Profit or Loss			-
	c) Items that will be reclassified to Profit or Loss			-
	d) Income tax relating to items that will be reclassified to Profit or Loss			-
XI	Total Comprehensive Income for the period		2,211,871	45,520,765
XII	Earnings per equity share			
	Equity shares of par value Rs. 10 each			
	Basic		0.14	2.94
	Diluted		0.14	2.94
	Numbers of shares			
	Basic		15,457,106	15,457,106
	Diluted		15,457,106	15,457,106

The accompanying notes form an integral part of these standalone financial statements

As per our report of even date attached

For K.Gopal Rao & Co	For and on behalf of the Board of Directors	
Chartered Accountants,		
Firm Registration No. 0009568		
Madan Gopal Narayanan		
Partner	Dr. M. Vasudevan	Vijayakumar. M
Membership No. 211784	Managing Director	Executive Director
Date: May 30, 2023		
Place: Chennai		

TABLE 3. STATEMENT OF CHANGE IN EQUITY

Particulars	Equity share capital	Other equity										Total equity attributable to equity holders of the Company
		Reserves and surplus						Other comprehensive income			Total	
		Securities premium	Retained earnings	General reserve	Optionally Convertible Redeemable Preference Shares	Capital reserve		Equity instrument	Effective portion of	Other items of other comprehensive income / (loss)		
						Capital reserve	Capital business transfer adjustment reserve	Equity instruments through other comprehensive	Effective portion of cash flow hedges			
Balance as at April 1, 2022	154,571,060	929,014,493	-1,029,119,797	65,864,241	4,187,000	206,250	-	-	-	-	-29,847,813	124,758,932
Changes in equity for the year ended March 31, 2021		-	-	-		-	-	-	-	-	-	-
Profit for the year	-	-	2,211,871	-		-	-	-	-	-	2,211,871	2,211,871
Transfer to general reserve	-	-	-	-		-	-	-	-	-	-	-
Dividends	-	-	-	-		-	-	-	-	-	-	-
Balance as at March 31, 2023	**154,571,060**	**929,014,493**	**-1,026,907,926**	**65,864,241**	**4,187,000**	**206,250**	**-**	**-**	**-**	**-**	**-27,635,942**	**126,970,803**

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

ORGANIZATION AND NATURE OF OPERATIONS

California Software Company Limited (hereinafter referred to as “the Company” or “the Parent Company”) and its subsidiaries (hereinafter collectively referred to as “the Group”) are primarily engaged in providing a range of software development services, business process outsourcing services and IT infrastructure services. The Company was incorporated under the provisions of the Companies Act applicable in India in February 1992, having its registered office at Workflo, Greeta Towers, Industrial Estate, Perungudi, OMR Phase 1, Chennai 600096, INDIA.

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

The consolidated financial statements for the year ended 31 March 2023 were approved and authorised for issue by the Board of Directors on 30th May 2023.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

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

a) Derivative financial instruments,

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

The accounting policies adopted in preparing these financial statements are consistent with those of the previous year. The Company uses the Indian rupee (‘ ’) as its reporting currency.

Basis of Consolidation

The consolidated financial statements comprise the financial statements of California Software Company Limited, the Parent Company, and its subsidiaries. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary.

Control is achieved when the Group is exposed or has rights to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Precisely, the Group controls an investee if and only if the Group has:

a) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
b) Exposure, or rights, to variable returns from its involvement with the investee and
c) The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that majority voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

a) The contractual arrangement with the other vote holders of the investee
b) Rights arising from other contractual arrangements
c) The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate changes to one or more of the three control elements.

The financial statements of the subsidiaries in the Group are added on a line-by-line basis, and inter-company balances and transactions, including unrealised gain/loss from such transactions, are eliminated upon consolidation. The consolidated financial statements are prepared by applying the Group's uniform accounting policies.

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the investee's financial and operating policy decisions but is not in control or joint control over those policies. The aggregate of the Group's share of profit and loss of an associate is shown on the face of the statement of profit and loss.

Use of Estimates

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

Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is the aggregate of the consideration transferred measured at fair value at the acquisition date and the amount of any non-controlling interest in the acquire. For each business combination, the Group estimates the non-controlling interest in the acquire at fair value. Acquisition-related costs are expensed as incurred.

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

Goodwill is initially measured at cost, the excess of the aggregate of the consideration transferred, the amount recognised for non-controlling interest, and any previous interest held over the net identifiable assets acquired and liabilities assumed. Suppose the fair value of the net assets acquired is more than the aggregate consideration transferred. In that case, the excess is recognised as a capital reserve after reassessing the fair values of the net assets.

Foreign currency and translation

The Group's consolidated financial statements are presented in Indian Rupee (`), the parent company's functional currency. For each entity, the Group determines the functional currency, its respective local currency, except for four subsidiaries outside India being investment companies that use the '`' as their functional currency, and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct consolidation method, and on disposal of a foreign operation, the gain or loss that is reclassified to the statement of profit and loss reflects the amount that arises from using this method.

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

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

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

Fair value measurement

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

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

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

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

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

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

- Market approach – Prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities.
- Income approach – Converting the future amounts based on market expectations to their present value using the discounting method.
- Cost approach – Replacement cost method.

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

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

Revenue recognition

Contracts involving the provision of services

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

Time-and-material contracts

Revenue concerning time-and-material contracts is recognised as the related services are performed.

Fixed Price contracts

Revenue related to contracts providing maintenance and support services is recognised over the contract term where the Group has a continuing obligation.

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

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

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

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

Multiple-element arrangements

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

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

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

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

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

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

Interest income

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

Income taxes

Income tax expense comprises current and deferred income tax.

Income tax expense is recognised in the statement of profit and loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity. Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and laws enacted or substantively enacted by the balance sheet date. Provision for income tax includes the impact of provisions established for uncertain income tax positions.

Deferred income tax assets and liabilities are recognised for all temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax assets and liabilities are recognised for those temporary differences that originate during the tax holiday period and are reversed after the tax holiday period. For this purpose, the first-in-first-out method determines the reversal of timing differences.

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

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

The effect of changes in tax rates on deferred income tax assets and liabilities is recognised as income or expense in the year that includes the enactment or the substantive enactment date. A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Deferred income taxes are not provided on the undistributed earnings of subsidiaries and branches where it is expected that the profits of the subsidiary or branch will not be distributed in the foreseeable future.

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

In some tax jurisdictions, tax deductions on share-based employee payments differ from the related cumulative remuneration expenses. If the amount of the tax deduction (or estimated future tax deduction) exceeds the amount of the related cumulative remuneration expense, the excess of the associated tax is recognised directly in retained earnings.

Property, plant and equipment

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

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

Gains or losses arising from the derecognition of assets are measured as the difference between the net disposal proceeds and the asset's carrying amount. They are recognised in the profit and loss statement when the asset is derecognised. Property, plant and equipment under construction and cost of assets not ready for use at the year-end are disclosed as capital work-in-progress.

Intangible assets

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

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

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

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

Research and development costs

Research costs are expensed as incurred. Development expenditure on an individual project is recognised as an intangible asset when the Group can demonstrate the following:

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

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

Borrowing costs

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

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

Inventory

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

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

Impairment of non-financial assets Goodwill

Goodwill is tested annually on March 31 for impairment, or sooner when there is an indication that goodwill may be impaired, relying on several factors, including operating results, business plans and future cash flows. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the Group's cash-generating units (CGU) expected to benefit from the synergies arising from the business combination. A CGU is the smallest identifiable group of assets that generates cash inflows largely independent of the cash inflows from other assets or groups of assets. Impairment occurs when the carrying amount of a CGU, including the goodwill, exceeds the estimated recoverable amount of the CGU. The recoverable amount of a CGU is the higher of its fair value, less cost to sell, and its value-in-use. Value-in-use is the present value of future cash flows expected to be derived from the CGU. Total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU, pro-rata, based on the carrying amount of each asset in the CGU.

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

Intangible assets and property, plant and equipment

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

Provisions

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

Equity settled stock-based compensation.

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

Financial Instruments

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

Financial assets

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

Cash and short-term deposits

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

Financial assets at amortised cost

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

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

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the profit and loss statement. The losses arising from impairment are recognised in the statement of profit and loss. This category includes cash and bank balances, loans, unbilled revenue, trade and other receivables.

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

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

a. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets and
b. The asset's contractual cash flows represent solely principal and interest payments. Financial assets included within the OCI category are measured initially and at each reporting date at fair value. Fair value movements are recognised in OCI. Interest income is recognised in statement of profit and loss for debt instruments. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from OCI to the statement of profit and loss.

Financial assets at Fair Value through Profit and Loss

Any financial asset that does not meet the criteria for categorisation at amortised cost or fair value through other comprehensive income is classified at fair value through profit and loss. Financial assets included at the fair value through the profit and loss category are measured at fair value with all changes recognised in the profit and loss statement.

Equity investments

Equity investments, for which sufficient, more recent information to measure fair value is unavailable, are measured at cost. Other equity investments in the scope of Ind AS 109 are measured at fair value through profit and loss.

Equity investments within the fair value through the profit and loss category are measured at fair value with all changes recognised in the profit and loss statement.

Derecognition of financial assets

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or the Group has transferred its rights to receive cash flows from the asset.
Impairment of financial assets

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

Financial liabilities

All financial liabilities are recognised at fair value and, in the case of loans, borrowings, and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade payables, borrowings, bank overdrafts, and other payables.

After initial recognition, financial liabilities are subsequently measured at amortised cost using the effective interest rate (EIR) method, except for deferred consideration recognised in a business combination, which is subsequently measured at fair value through profit and loss. Gains and losses are identified in the profit and loss statement when the liabilities are derecognised, as well as through the EIR amortisation process.

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

Derecognition

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

Derivative financial instruments and hedge accounting

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

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

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

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

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

Offsetting of financial instruments

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

Dividend

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

Earnings per share (EPS)

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

Diluted EPS amounts are computed by dividing the net profit attributable to the equity holders of the parent company by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable had the shares been issued at fair value (i.e. the average market value of the outstanding shares). Dilutive potential equity shares are deemed converted at the beginning of the year unless issued later. Dilutive potential equity shares are determined independently for each year presented.

It recently issued accounting pronouncements.

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

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

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

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

Ind AS 115, Revenue from Contract with Customers

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

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

The standard permits two possible methods of transition

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

The Group is currently evaluating the impact of adopting this new standard on its consolidated financial statements.

TABLE 4. PROPERTY, PLANT AND EQUIPMENT

Particulars	Computers and Accessories	Total
Gross carrying value as at April 1, 2022	44,207,810	44,207,810
Additions	64,800	64,800
Deletions	0	0
Gross carrying value as at March 31, 2023	44,272,610	44,272,610
Particulars	**Computers and Accessories**	**Total**
Accumulated depreciation as on April 1, 2022	0	0
Depreciation	11,133,582	11,133,582
Accumulated depreciation as on delitions	0	0
Accumulated depreciation as on March 31, 2023	11,133,582	11,133,582
Carrying value as at March 31, 2023	35,305,800	33,139,028

TABLE 5. ADVANCES, TRADE RECEIVABLES, CURRENT AND NON-CURRENT INVESTMENTS, OTHER CURRENT ASSETS

Note: 5 Other current assets

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
GST Input Tax Credit	3,065,277	2,235,476	1,878,886
	3,065,277	**2,235,476**	**1,878,886**

Note: 5 Other current financial assets

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Other Loans and advances	1,211,626	769,626	435,419
Rental Advance	279,852	279,852	279,852
	1,491,478	**1,049,478**	**715,271**

TABLE 6. INVESTMENTS, TRADE RECEIVABLES, CASH

Note: 2 Investments and assets held for sale			
Particulars	**As at March 31, 2023**	**As at March 31,**	**As at March 31, 2021**
Non Current Investments			
Investment in Equity instruments of subsidiaries	31,137,969	31,137,969	31,137,969
Total carrying value	**31,137,969**	**31,137,969**	**31,137,969**

Particulars	**As at March 31, 2023**	**As at March 31,**	**As at March 31, 2021**
Non-current			
Unquoted			
Investment carried at cost			
Investment in equity instruments of subsidiaries	31,137,969	31,137,969	31,137,969
Aspire communication, Mysore, India			
20,00,000 (20,00,000) equity shares, fully paid up	**31,137,969**	**31,137,969**	**31,137,969**

Note: 3 Trade receivable

Particulars	**As at March 31, 2023**	**As at March 31, 2022**	**As at March 31, 2021**
Current			
Trade receivables	171,363,317	144,637,764	36,137,765
Unsecured, Considered good			
Total trade receivables	**171,363,317**	**144,637,764**	**36,137,765**
(1) Includes dues from companies where directors are interested			

Note: 4 Cash and cash equivalents

Particulars	**As at March 31, 2023**	**As at March 31, 2022**	**As at March 31, 2021**
Balances with Banks	367,122	228,454	25,965
In current and deposit accounts			
Cash on hand	58,325	55,799	69,052
	425,446	**284,253**	**95,017**
Bank balances other than above			
Balances with banks- Unpaid dividend accounts	103,172	103,172	103,172

TABLE 7. OTHER CURRENT ASSETS AND EQUITY

Note: 5 Other current financial assets

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Other Loans and advances	1,211,626	769,626	435,419
Rental Advance	279,852	279,852	279,852
	1,491,478	**1,049,478**	**715,271**

Note: 6 Equity

Particulars	As at March 31, 2023	As at March 31,	As at March 31, 2021
Authorised Capital			
2,10,00,000 Equity Shares of Rs.10/- each with equal vot	210,000,000	210,000,000	210,000,000
40,00,000 Preference Shares of Rs.10/- each with equal voting rights	40,000,000	40,000,000	40,000,000
	250,000,000	**250,000,000**	**250,000,000**

Particulars	As at March 31, 2023	As at March 31,	As at March 31, 2021
Issued, Subscribed and paid up			
1,54,57,106 Equity Shares of Rs.10/- each with equal voting rights	154,571,060	154,571,060	154,571,060
4,18,700 Optionally Convertible Redeemable Preference Shares(OCRPS) at Rs.10	4,187,000	4,187,000	4,187,000
	158,758,060	158,758,060	158,758,060

(The paid up share capital includes shares worth Rs. 7,24,920 which were issued by the company in October 1994 for consideration other than cash)

Name of the Share Holder	As at March 31, 2023		As at March 31,		As at March 31, 2021	
Shareholders holding more than 5% of total shares						
Vasudevan M	55,22,972	35.73%	55,22,972	35.73%	55,22,972	35.73%
Chemoil	17,46,533	11.27%	17,46,533	11.27%	17,46,533	11.27%
Closing Balance	72,69,505	47.00%	72,69,505		72,69,505	47.00%

Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	As at March 31, 2023	As at March 31,	As at March 31, 2021
At the beginning of the period	15,875,806	15,875,806	15,875,806
Add : Shares issued	-	-	-
Less : Shares bought back	-	-	-
At the end of the period	**15,875,806**	**15,875,806**	**15,875,806**

TABLE 8. TRADE PAYABLES AND OTHER CURRENT LIABILITIES

Note: 8 Financial liabilities

Particulars	As at March 31, 2023	As at March 31,	As at March 31, 2021
Loan from Directors	63,656,243	48,971,617	16,997,179
Total	**63,656,243**	**48,971,617**	**16,997,179**

Note: 9 Trade payables

Particulars	As at March 31, 2023	As at March 31,	As at March 31, 2021
Trade payables	3,522,649	3,396,126	2,697,665
Total	**3,522,649**	**3,396,126**	**2,697,665**

Note: 9 Other financial liabilities

Particulars	As at March 31, 2023	As at March 31,	As at March 31, 2021
Liability towards capital goods	57,500,000	57,500,000	57,500,000
Unpaid dividends	103,172	103,172	103,172
Other Advances	2,000,000	2,000,000	-
Total	**59,603,172**	**59,603,172**	**57,603,172**

Note: 10 Other current liabilities

Particulars	As at March 31, 2023	As at March 31,	As at March 31, 2021
Statutory liabilities	7,099,767	4,429,803	3,288,449
Audit Expenses Payable	754,958	650,458	480,458
Gratuity Payable	135,278	135,278	135,278
Provision for Dividend on OCRPS	35,685	35,685	35,685
Other Current Liabilities	70,079	70,079	70,079
Total	**8,095,767**	**5,321,303**	**4,009,949**

TABLE 9. REVENUE FROM OPERATIONS AND EXPENSES

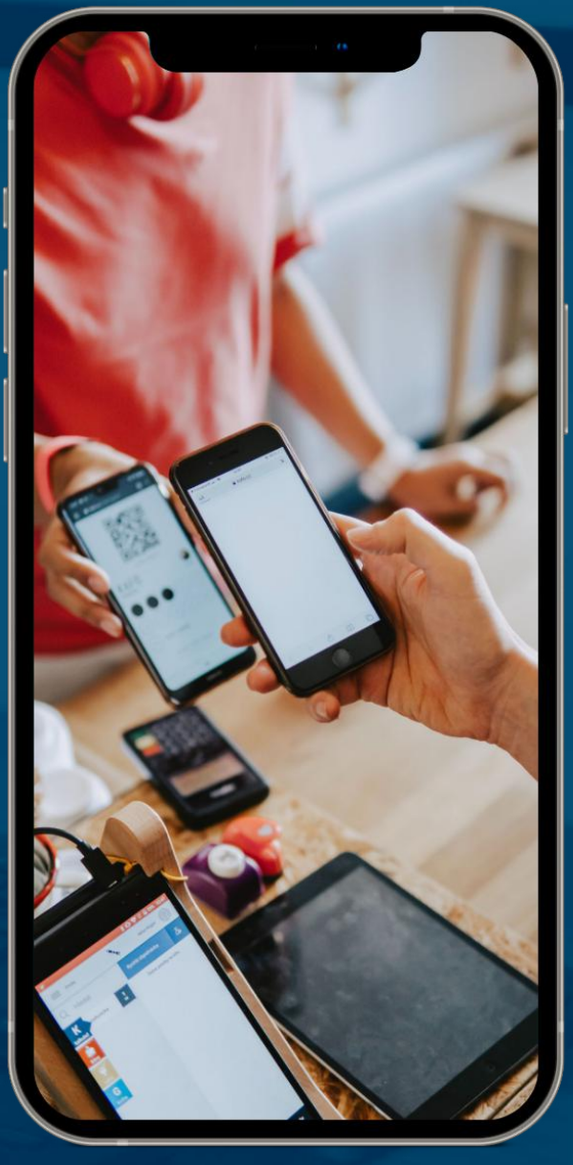
Note: 11 Revenue from operations			
Particulars	**As at March 31, 2023**	**As at March 31, 2022**	**As at March 31, 2021**
Sale of Services	27,641,127	108,571,560	14,550,000
Total	**27,641,127**	**108,571,560**	**14,550,000**
Note: 12 Other Income			
Particulars	**As at March 31, 2023**	**As at March 31, 2022**	**As at March 31, 2021**
UPI ID TESTING	-	1,000	
Foreign exchange gain	-	-	
Total	-	**1,000**	-
Note: 13 Employee benefits expense			
Particulars	**As at March 31, 2023**	**As at March 31, 2022**	**As at March 31, 2021**
Salary Expenses	10,032,704	13,432,261	4,011,653
Staff welfare expenses	25,585	25,043	
Total	**10,058,289**	**13,457,304**	**4,011,653**
Note: 14 Depreciation and Amortisation			
Particulars	**As at March 31, 2023**	**As at March 31, 2022**	**As at March 31, 2021**
Depreciation & Amortisation	8,966,810	11,133,582	2,958,913
Total	**8,966,810**	**11,133,582**	**2,958,913**
Note: 15 Other Expenses			
Particulars	**As at March 31, 2023**	**As at March 31, 2022**	**As at March 31, 2021**
Maintenance expenses			741,000
Rent - Office	1,700,160	1,829,934	1,292,265
Communication expenses	36,538		164,452
Listing fees	560,000		583,200
Travel Expenses	319,650	908,809	
Bad debts written off			
Audit Fee	510,000	700,000	500,000
Secretarial & Professional Fees	514,900	1,647,558	530,206
Director's Sitting fees			-
Foreign Exchange Loss		-	766,092
Share Maintenance Charges	140,332	89,002	24,451
ROC Fees	65,260	11,440,571	10,800
Server Rental expenses		65,000	88,500
Depository Charges		97,200	105,207
Other Expenses	565,424	3,371,858	-
Advertisement	814,559	669,909	55,488
Bank Charges	7,051	1,221	6,497
Rates and Taxes	3,500	-	67,841
Administration Expenses	7,100	19,773	16,500
Website and Domain Charges	382,538		
Total	**5,627,013**	**20,840,835**	**4,952,499**

Proposed commerce Solutions

- Automation and marketing campaigns
- Integrations and trackers for analytics
- Copy and design upgrade
- Development and testing of new features

dSpeedUp e Commerce Services Included

- UX/UI research
- Email categorization -
  - Sign up
  - Password reset
  - Account deletion
  - Contact
  - Purchase
  - Cancellations
- Copywriting
- Design
- Development and integration
- Quality testing and fixes



Next Steps

- Survey launch for low and medium performing products
- Find out ways to upgrade low performing products
- Sales and Marketing campaigns
- Lead generation
- Launch of new products

