

September 06, 2025

To

**National Stock Exchange of India Limited**

**Symbol – CALSOFT**

Exchange Plaza,  
5thFloor, Plot No. C/1, G Block,  
Bandra-Kurla Complex  
Bandra (East), Mumbai - 400 051

**BSE LIMITED**

**Security Code - 532386**

Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai-400001

Dear Sir/Madam,

**Sub: Annual Report for the Financial Year 2024-25**

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we submit herewith the Annual Report of the Company for the Financial Year 2024-25 along with Notice convening the 33rd Annual General Meeting of the Company scheduled to be held on Monday, September 29, 2024 at 5.00 p.m. (IST) via video conferring/ other audio-visual means.

The Annual Report containing the AGM Notice is also uploaded on the Company's website

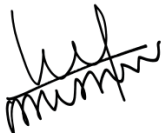
[https://www.calsofts.com/files/ugd/535075\\_853065987abc4e2dad96b7723e334ad0.pdf](https://www.calsofts.com/files/ugd/535075_853065987abc4e2dad96b7723e334ad0.pdf)

This is for your information and record.

Thanking you,

Yours truly

For California Software Company Limited



Vasudevan Mahalingam

Chief Executive Officer & Managing Director



# EMPOWERING SMALL AND MICROBUSINESSES THROUGH AI

*Harnessing artificial intelligence to give entrepreneurs and local businesses the tools, insights, and automation they need to compete, grow, and thrive in the digital economy.*



CALIFORNIA SOFTWARE  
COMPANY LIMITED

CHENNAI, INDIA

EMPOWERING  
SMALL  
BUSINESSES

# AI

## EFFICIENCY REDEFINED







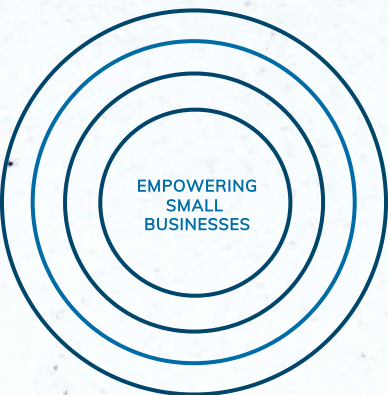
Small and microbusinesses form the backbone of every economy, yet they often face barriers—limited resources, lack of digital expertise, and rising competition from larger players. Artificial Intelligence (AI) is now breaking these barriers, becoming the great equaliser that allows even the smallest enterprises to operate with the speed, efficiency, and intelligence of large corporations.

At **Calsofts**, our mission in FY 2024–25 has been to **democratize AI** and put its power into the hands of local entrepreneurs. Through platforms such as **dSpeedUp (AI-powered commerce)**, **dRyZe CRM (affordable AI-enabled customer management)**, and **dBotMinds (AI chat assistant)**, we have transformed how small businesses sell, market, and serve their customers.

- **AI for Growth:** Personalised recommendations, predictive analytics, and smart marketing help businesses increase sales and customer loyalty.
- **AI for Efficiency:** Automation of workflows, financial management, and inventory reduces time and costs.
- **AI for Inclusion:** Affordable pricing and no-code design ensure accessibility for all users, including those without technical expertise.
- **AI for Resilience:** Tools like supply chain forecasting and fraud detection protect businesses against uncertainty.

Our theme reflects a belief: **when empowered with AI, even the smallest business can dream big, compete globally, and thrive sustainably.**

As we look ahead, Calsofts remains committed to building an AI ecosystem that uplifts millions of entrepreneurs, ensuring that innovation is not just for the few, but for the many.





## Board of Directors

<b>Mr. Fredrick Bundle</b>	: Chairman
<b>Dr. Mahalingam Vasudevan</b>	: Managing Director & CEO
<b>Dr. V. Manimala</b>	: Executive Director & CFO
<b>Mr. Vijayakumar Madhavan</b>	: Executive Director
<b>Ms. AVN. Srimathi</b>	: Woman Independent Director
<b>Dr. R. S. Chandan</b>	: Independent Director
<b>Dr. B. Duraisamy</b>	: 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 & Associates LLP

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, Greet Towers,

Industrial Estate, Perungudi, OMR Phase I

Chennai 600 096

Contact Nos: +91- 94448 60882

Email for shareholders: investor@calsoftgroup.com

Website: www.calsofts.com



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Dear Stakeholders,

This year marks yet another defining chapter in Calsoft's journey of over three decades. Over these years, we have remained committed to a single purpose: to ensure that innovation is not limited to a few but accessible to all. Our theme for this year, **"Empowering Small and Microbusinesses Through AI,"** reflects our belief that artificial intelligence is the transformative force that will shape the future of entrepreneurship.

For far too long, small and microbusinesses—the true lifeblood of global economies—have operated with limited resources, constrained access, and fewer opportunities to scale. Yet, they represent resilience, creativity, and the spirit of growth. Today, AI offers us the ability to remove these barriers. By putting advanced tools into the hands of small entrepreneurs, we can give them the power to compete globally, grow sustainably, and thrive in an increasingly digital world.

At Calsofts, we have taken significant strides to make this vision a reality. Through platforms such as **dSpeedUp, dRyZe CRM, dBotMinds, and Zaywoo**, we are providing affordable, intelligent, and accessible solutions designed to meet the needs of small enterprises. Whether it is an artisan launching an online store, a local shop managing customers through AI-driven CRM, or a startup using predictive analytics to forecast demand, our mission is to ensure that no business is left behind in this AI-first era.

The coming years will see AI become not just a technology, but the very foundation of how businesses operate, communicate, and grow. And while large corporations will continue to adopt these tools, it is the empowerment of the smallest businesses that will redefine inclusivity in the global economy. This is where Calsofts is uniquely positioned—to champion a future where innovation lifts everyone.

Thank you for your trust and partnership as we continue this journey of empowerment. Together, we will shape a world where even the smallest idea can thrive through the power of AI.

Best regards,  
**Frederick Bendle**  
Chairman



Dear Team Members, Partners, and Esteemed Stakeholders,

This year, under the theme **"Empowering Small and Microbusinesses Through AI,"** we are embracing not just a vision but a mission that will define the future of Calsofts. While global corporations often dominate headlines, it is the small and microbusinesses—the corner shops, local innovators, artisans, and startups—that form the true backbone of economies. They generate jobs, sustain communities, and embody the entrepreneurial spirit that drives progress.

In FY 2024–25, Artificial Intelligence has emerged as the most powerful force for transformation. What was once the domain of large enterprises is now within the grasp of even the smallest entrepreneur. AI can automate workflows, predict customer behavior, personalize marketing, optimize supply chains, and provide insights that were unimaginable just a few years ago. For small businesses, this is more than just technology—it is liberation from constraints.

At Calsofts, we consider it our moral and strategic responsibility to ensure that AI is accessible, affordable, and impactful for the millions of entrepreneurs who need it most. **Through dSpeedUp, dRyZe CRM, dBotMinds, and Zaywoo,** we are democratizing technology so that even the smallest business can compete with global players. Whether it is a shopkeeper launching an AI-driven storefront in minutes or a startup founder using predictive analytics to scale with confidence, we are enabling a future where innovation knows no boundaries.

As someone who began my career in a small business, I understand deeply the challenges these enterprises face—limited resources, limited access, but unlimited dreams. Today, with our expertise, reach, and ecosystem of platforms, Calsofts is uniquely positioned to stand by these businesses, helping them overcome barriers and realize their full potential.

This journey is not only about growth—it is about inclusion, equity, and empowerment. Together, we are creating a world where technology is not reserved for the privileged few but is a catalyst for every entrepreneur with a vision.

Thank you for your trust, dedication, and partnership. Let us continue building this future—one where AI empowers the smallest business to achieve the biggest dreams.

Warm regards,

**Dr. M. Vasudevan**  
Chief Executive Officer





# We at Calsoft strictly follow:

Reuse



Recycle

Reduce

Global  
**Temperature**  
Rise

**Warming**  
Ocean

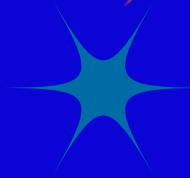
Shrinking  
**Ice Sheets**

**Glacial**  
Retreat

**Sea Level**  
Rise

Extreme  
**Events**

ENVIRONMENTAL IMPACT

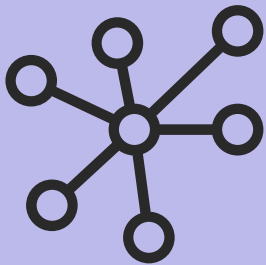


# Creating Shared Value

Connecting  
through  
our hands



Financial  
Review



Strategy



Corporate  
Governance



Innovating for  
a changing  
world

CREATING SHARED VALUE



# NOTICE TO THE SHAREHOLDERS

# NOTICE TO THE SHAREHOLDERS

Notice is hereby given that the Thirty-Third (33rd) Annual General Meeting (AGM) of California Software Company Limited (CIN: L72300TN1992PLC022135) will be held on **Monday, September 29, 2025 at 05:00 P.M. (IST) through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM")**. The proceedings shall be deemed to be conducted from the Registered Office at **Workflo, Greeta Towers, Industrial Estate, Perungudi, OMR Phase 1, Chennai – 600096**, to transact the following business:

## ORDINARY BUSINESS

### 1. Adoption of Financial Statements

To receive, consider and adopt the **audited standalone and consolidated financial statements** of the Company for the financial year ended **March 31, 2025**, together with the **Reports of the Board of Directors and the Auditors** thereon.

### 2. Retirement by Rotation

To appoint a Director in place of **Mr. Mahalingam Vasudevan (DIN: 01608150)**, Managing Director of the Company, **who retires by rotation and, being eligible, offers himself for re-appointment**.

## SPECIAL BUSINESS

### 3. Appointment of Secretarial Auditor

To consider and if thought fit, to pass with or without modifications, the following Resolution as an Ordinary Resolution:

**"RESOLVED THAT**, pursuant to the provisions of Section 204 of the Companies Act, 2013, read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other applicable provisions, if any, the approval of Members be and hereby accorded for the **appointment of M/s. S Dhanapal & Associates LLP** Practicing Company Secretaries having **Firm Registration No L2023TN014200** and **Peer review No.1107/2021**, as **Secretarial Auditor of the Company** for conducting the Secretarial Audit for a period of Five Financial years starting from Apr 1, 2025 to Mar 31, 2030 at a Remuneration as may be mutually agreed between the Company and M/s. California Software Company Limited

**"RESOLVED FURTHER THAT**, the Board of Directors of the Company and / or the Company Secretary be and are hereby severally authorized to sign relevant Document, Agreements and file necessary forms with the Ministry of Corporate Affairs (MCA) and to do all such Acts, Deeds and Things as may be necessary to give effect to the above Resolution."

## By Order of the Board

For California Software Company Limited

**Dr. Mahalingam Vasudevan**  
Managing Director  
DIN: 01608150

**Place:** Chennai

**Date:** September 05, 2025

**Registered Office:**

Workflo, Greeta Towers, Industrial Estate, Perungudi, OMR Phase 1, Chennai – 600096



## NOTES

1. **AGM via VC/OAVM:** Pursuant to MCA General Circular Nos. 20/2020 (May 05, 2020), 14/2020 (April 08, 2020), 17/2020 (April 13, 2020), 02/2021 (January 13, 2021), 02/2022 and 03/2022 (both May 05, 2022), and in compliance with the Companies Act, 2013 and SEBI circulars SEBI/HO/CFD/CMD2/CIR/P/2021/11 (January 15, 2021), SEBI/HO/CFD/CMD2/CIR/P/2022/62 (May 13, 2022) and SEBI/HO/CFD/PoD-2/P/CIR/2023/4 (January 5, 2023), the 33rd AGM will be held through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") without the physical presence of members at a common venue. Accordingly, members can attend and participate only through VC/OAVM. In accordance with Secretarial Standard-2 (SS-2) issued by ICSI, read with ICSI guidance dated April 15, 2020, the proceedings shall be deemed to be conducted at the Company's Registered Office, which will be the deemed venue of the AGM. The detailed VC/OAVM participation procedure is appended to this Notice and is also available on the Company's website: [www.calsofts.com](http://www.calsofts.com).
2. **Explanatory Statement:** Pursuant to Section 102 of the Companies Act, 2013, Secretarial Standard-2, and SEBI (LODR), the Explanatory Statement concerning the Special Business forms part of this Notice.
3. **Proxies:** As the AGM is through VC/OAVM, physical attendance and proxies are dispensed with. Corporate members may authorize representatives under Section 113 of the Act and email the certified authorization to [secretarial@csdhanapal.com](mailto:secretarial@csdhanapal.com) with copies to [yuvraj@integratedindia.in](mailto:yuvraj@integratedindia.in) (RTA) and [calsoftsecretarial@gmail.com](mailto:calsoftsecretarial@gmail.com).
4. **Book Closure:** The Register of Members and Share Transfer Books shall remain closed from Monday, September 22, 2025 to Monday, September 29, 2025 (both days inclusive), for the purpose of the AGM.
5. **Joint Holders:** In case of joint holders, the first-named holder shall be entitled to vote.
6. **Demat-only service requests:** As per SEBI Circular SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 (January 25, 2022), service requests (duplicate certificates, transmission, transposition, split/consolidation, etc.) shall be processed only in dematerialised form. Please submit Form ISR-4 (available at [www.calsofts.com](http://www.calsofts.com) and [www.integratedindia.in](http://www.integratedindia.in)). KYC-compliant folios only will be processed.
7. **Transfer in demat:** Pursuant to SEBI notification dated January 24, 2022, transfer / transmission / transposition requests are processed only in demat. Members holding physical shares are encouraged to dematerialise.
8. **PAN:** Furnishing PAN is mandatory (including for transmission, deletion of name, transposition). Demat holders should update PAN with their DP; physical holders may update with the Company/RTA.
9. **RTA & Correspondence:**  
**Integrated Registry Management Services Private Limited**  
2nd Floor, Kences Towers, No. 1, Ramakrishna Street, North Usman Road, T. Nagar,  
Chennai – 600 017, Tamil Nadu, India  
Email: [yuvraj@integratedindia.in](mailto:yuvraj@integratedindia.in) Alternatively, write to the Company at the Registered Office above.
10. **Nomination:** Members in physical form may file Form SH-13; demat holders may approach their DP.
11. **Electronic Dispatch:** Pursuant to Sections 101 and 136 of the Act and Rule 18(1) of the Companies (Management and Administration) Rules, 2014, the Notice and Annual Report 2024-25 are being sent electronically to Members who have registered their email IDs with the Company/DPs.
12. **Website Hosting:** The Notice and Annual Report are available on [www.calsofts.com](http://www.calsofts.com), the websites of BSE ([www.bseindia.com](http://www.bseindia.com)), NSE ([www.nseindia.com](http://www.nseindia.com)), and on NSDL (the e-voting/VC provider) at <https://www.evoting.nsdl.com>.
13. **E-voting & VC Provider:** The Company has engaged National Securities Depository Limited (NSDL) for remote e-voting, VC/OAVM, and e-voting during the AGM.
14. **Quorum:** Attendance through VC/OAVM shall be counted for quorum under Section 103 of the Act.

15. **VC Window:** The facility to join will open **15 minutes before** and remain open **15 minutes after** the scheduled time. Capacity: **1,000 members** on a first-come, first-served basis (large shareholders, promoters, institutional investors, Directors, KMPs, Committee Chairs, and Auditors are not subject to this cap).
16. **Video Conferencing Facility:** The Company has arranged a **Video Conferencing (VC) facility** for the 33rd AGM through the **Cisco Webex platform**. Members may access this facility using the **login credentials provided for remote e-voting**. On the day of the AGM, members are required to log in with their **User ID and Password** on the **NSDL e-voting website**. After logging in, a dedicated **link/tab displaying the Company's EVEN** (E-Voting Event Number) will be available in the Member login section for joining the AGM proceedings.
- On successful login, the system will prompt to select the **"EVEN" of "California Software Company Limited"** and click on **"Submit"**. Members are requested to select the respective EVENs (i.e. **136857 for fully-paid equity shares and 136927 for partly paid equity shares**) and vote depending upon their shareholding i.e. either fully paid-up or partly paid-up or both.
17. **Scrutinizer:** The Board has appointed **M/s. S. Dhanapal & Associates LLP**, Practising Company Secretaries, Chennai, as **Scrutinizer** to scrutinize remote e-voting and e-voting during the AGM in a fair and transparent manner.
18. **Scrutinizer's Report:** The Scrutinizer shall unblock the votes and submit a **consolidated report** to the Chairman/authorised person within **48 hours** of the AGM.
19. **Results:** Results will be declared within **48 hours** of the AGM and placed on [www.calsofts.com](http://www.calsofts.com) and <https://www.evoting.nsdl.com>, displayed at the Registered Office, and communicated to BSE and NSE.
20. **Inspection of Documents:** The **Register of Directors & KMP and their shareholding** (Section 170), the **Register of Contracts** (Section 189), and other documents referred to in the Notice will be available for **electronic inspection** during business hours on working days **up to the date of the AGM**. Email: [calsoftsecretarial@gmail.com](mailto:calsoftsecretarial@gmail.com).
21. **Route Map:** Not applicable (AGM via VC/OAVM).
22. **IEPF:** As no dividend was declared for **FY 2015-16**, transfer of unpaid/unclaimed dividend and corresponding shares to IEPF **does not arise** for that year.
23. **Register/Update Email:**
- Physical holders: email [yuvraj@integratedindia.in](mailto:yuvraj@integratedindia.in) (RTA) with folio details and self-attested PAN.
  - Demat holders: update with your **DP**.
  - Changes to registered email should be promptly updated via the respective interface.
24. **Member Queries:** Members seeking information on agenda items may email [calsoftsecretarial@gmail.com](mailto:calsoftsecretarial@gmail.com) on or before **September 22, 2025**.

## VOTING THROUGH ELECTRONIC MEANS (NSDL)

In compliance with the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide its Members with the facility to exercise their right to vote electronically.

The Company has engaged the services of National Securities Depository Limited (NSDL) to provide remote e-voting and e-voting during the AGM.

The Board has appointed Mr. N. Ramanathan, Designated Partner, M/s. S Dhanapal & Associates LLP, Practicing Company Secretaries, as the Scrutinizer to conduct the entire e-voting process (both remote e-voting and voting at the AGM) in a fair and transparent manner.

The voting rights of Members shall be in proportion to their shareholding in the paid-up equity share capital of the Company as on the cut-off date, September 22, 2025.

Detailed instructions for remote e-voting and e-voting during the AGM are provided in this Notice.

### Instructions for Shareholders for e-Voting

#### A) For Members receiving e-mail from NSDL (registered e-mail IDs)

- i. Open the NSDL e-mail and the PDF titled "California Software Company Limited e-Voting.pdf" (password = your Client ID / Folio No.). The PDF contains your User ID and initial password.
- ii. Visit <https://www.evoting.nsdl.com>.
- iii. Click "Shareholder / Member Login."
- iv. Enter your User ID and initial password → click Login.
- v. On first login, you'll be prompted to change your password (minimum 8 characters). Do not share your password.
- vi. Go to e-Voting → Active E-Voting Cycles.
- vii. Select the EVEN of California Software Company Limited and click on "Submit". Members are requested to select the respective EVENs (i.e. 136857 for fully-paid equity shares and 136927 for partly paid equity shares) and vote depending upon their shareholding i.e. either fully paid-up or partly paid-up or both.
- viii. The Cast Vote page will open.
- ix. Choose your voting option → click Submit and Confirm.
- x. A confirmation "Vote cast successfully" will appear.
- xi. After a vote is cast, modification is not permitted.
- xii. Institutional shareholders (other than individuals/HUF/NRI etc.) must e-mail a scanned Board Resolution/Authority Letter with attested specimen signature(s) of the authorised signatory(ies) to the Scrutinizer at [secretarial@csdhanapal.com](mailto:secretarial@csdhanapal.com), with copies to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) and [calsoftsecretarial@gmail.com](mailto:calsoftsecretarial@gmail.com).



## B) For Members receiving a physical copy (no registered e-mail ID / requested physical)

- Your **EVEN / User ID / Password** is printed on the intimation/attendance sheet.
- Please follow steps ii to xi under Section A above.

## C) Joining the AGM through VC/OAVM (NSDL platform)

- Go to <https://www.evoting.nsdl.com> and log in with your **e-voting credentials**.
- Click the **e-AGM / VC** link visible in your Member login (against the Company's **EVEN**) to join via **Cisco Webex**.
- The VC facility will open **30 minutes before** the scheduled start and remain open **throughout** the proceedings.\*
- Admission is on a **first-come, first-served** basis (large shareholders, promoters, institutional investors, Directors, KMPs, Committee Chairs, Auditors are not restricted).
- Allow **camera** permissions and ensure a **stable Wi-Fi/LAN** connection to avoid audio/video issues. Mobile hotspots/tablets may experience quality fluctuation.
- Post your Questions (pre-AGM):** Log in at <https://www.evoting.nsdl.com> → "Post your Questions" between Friday, September 26, 2025 (10:00 A.M.) and Sunday, September 28, 2025 (5:00 P.M.); mention name, demat/folio, e-mail, mobile.
- Speaker Registration (during e-AGM):** Log in at <https://www.evoting.nsdl.com> → "Speaker Registration" (same window as above). Provide **demat/folio, city, e-mail, mobile**. Slots may be limited depending on AGM time.
- Assistance contact: **Mr. Vijayakumar (Whole-Time Director) – +91-90920-53888**.

\* If any other note in your Notice states a **15-minute** window, please align both places to the same timing (recommend 30 minutes).

## General Guidelines for Members

- i. In case the Member is a **Body Corporate/Institution**, 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 and vote through remote e-voting, must be sent by e-mail to the **Scrutinizer** at [secretarial@csdhanapal.com](mailto:secretarial@csdhanapal.com), with a copy marked to [calsoftsecretarial@gmail.com](mailto:calsoftsecretarial@gmail.com).
- ii. Members are strongly advised **not to share their e-voting password** with anyone and to maintain strict confidentiality. After **five unsuccessful login attempts**, access to the NSDL e-voting portal will be disabled. In such cases, Members can reset their password by using the “**Forgot User Details/Password?**” or “**Physical User Reset Password?**” options available at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- iii. A Member may vote either through **remote e-voting** or during the AGM. If votes are cast using both modes, the votes cast through **remote e-voting shall prevail**, and those cast during the AGM shall be considered invalid.
- iv. The **voting rights** of Members shall be in proportion to their shareholding in the paid-up equity share capital of the Company as on the **cut-off date – 22nd September 2025**.
- v. Any person who acquires shares of the Company after the dispatch of the AGM Notice and holds shares as on the **cut-off date (22nd September 2025)** may obtain login credentials (User ID and password) by sending a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). However, if the Member is already registered with NSDL for e-voting, they may use their existing login details. If the password is forgotten, it can be reset using the “**Forgot User Details/Password?**” option on the NSDL website.

## Other Instructions

- i. For queries or assistance, Members may refer to the **Frequently Asked Questions (FAQs)** and the **e-Voting User Manual for Shareholders**, available for download at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- ii. If already registered with NSDL for e-voting, Members can use their existing **User ID and password** to cast their vote.
- iii. Members are encouraged to **update their mobile number and e-mail ID** in their user profile on the NSDL portal for receiving future communications electronically.
- iv. The **remote e-voting period** commences on **Friday, September 26, 2025 (10:00 A.M.)** and ends on **Sunday, September 28, 2025 (5:00 P.M.)**. During this period, Members holding shares either in physical or dematerialized form as on the **cut-off date (22nd September 2025)** may cast their vote electronically. The e-voting module shall be disabled by NSDL thereafter. Once the vote on a resolution has been cast, it cannot be changed.
- v. The **Scrutinizer** shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, then unblock the remote e-votes, and not later than **48 hours** from the conclusion of the AGM, submit a **consolidated Scrutinizer’s Report** of the total votes cast (for and against) to the **Chairman** or, in his absence, any Director or Key Managerial Personnel authorized by him, who shall countersign the same.
- vi. The **results of voting** shall be declared within **48 hours** from the conclusion of the AGM and will be:
  - Placed on the Company’s website ([www.calsofts.com](http://www.calsofts.com)) and NSDL website ([www.evoting.nsdl.com](http://www.evoting.nsdl.com)),
  - Displayed on the Notice Board at the Registered Office, and
  - Simultaneously communicated to **BSE Limited** and the **National Stock Exchange of India Limited**, where the Company’s shares are listed.

# Details of Director seeking re-appointment at the AGM

(Pursuant to Regulations 26(4) & 36(3) of SEBI LODR and SS-2)

## Director Profile Disclosure

Particulars	Details
Name of the Director	Dr. Vasudevan Mahalingam
Director Identification Number (DIN)	01608150
Date of Birth & Age	29/04/1967 – 58 years
Nationality	Indian
Date of First Appointment on Board	12/08/2016
Qualification	M. Pharm, Ph.D.
Expertise in Specific Functional Areas	Research and Development, IT Services, SaaS Product Development, and Strategic Business Leadership
Terms & Conditions of Appointment / Reappointment	Serving as Managing Director & CEO, liable to retire by rotation, in accordance with the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.
Details of Remuneration Last Drawn	No remuneration drawn to date. Remuneration is voluntarily deferred and may be claimed in the future once the Company achieves financial stability.
Number of Board Meetings Attended During the Year	7
Relationship with other Directors and KMPs	Spouse: Dr. Manimala Vasudevan (Whole-time Director). No other inter-se relationship with Directors or KMPs.
Shareholding in the Company	62.26 %
List of Directorships held in other Companies (excluding foreign, private, and Section 8 companies)	Nil
Memberships/Chairmanships of Audit and Stakeholders Relationship Committees across Public Companies	Nil
Justification for Appointment/Reappointment	Dr. Vasudevan Mahalingam brings over three decades of experience in IT, SaaS innovation, and Research & Development. His leadership ensures sustainable growth, strategic innovation, and enhanced stakeholder value. His reappointment provides continuity and strengthens the Company’s long-term vision.



# 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. 3: Appointment of Secretarial Auditor

Based on the recommendation of the Board of Directors recommends the appointment of M/s. S Dhanapal & Associates LLP, Chennai (Firm Registration No.L2023TN014200) (Peer review Certificate No.1107/2021) for the approval by the shareholders, as Secretarial Auditors of the Company for a period of five consecutive years to hold office from the conclusion of the 33rd Annual General Meeting (AGM) and ending at the conclusion of the 38th AGM, to be held in the year 2030 for conducting the secretarial Audit for a period of five financial years commencing from Apr 1, 2025 to Mar 31, 2030.

## Rationale for appointment

M/s. S Dhanapal & Associates was established in 2009 as a sole proprietorship by Dr. S. Dhanapal. In response to growing clientele and increasing service requirements, the firm was reconstituted as a partnership firm during the period 2009–2014. The firm currently comprises three Practicing Company Secretaries (Partners) and two in-house legal counsels, offering a strong and experienced team to cater to a wide range of corporate and compliance needs. The firm holds a valid Peer Review Certificate issued by the Institute of Company Secretaries of India (ICSI). Its core service offerings include Secretarial Audit, Business Structuring and Reorganization, Incorporation Services, Compliance under FEMA Regulations and services related to Intellectual Property Laws. M/s. S Dhanapal Associates has a well-established client base, including more than 10 listed companies, over 15 government-owned entities, and more than 400 private sector, LLP, and foreign companies. The firm has confirmed that their proposed appointment is within the prescribed limits, if any, laid down by ICSI and that they are not disqualified under the provisions of the Company Secretaries Act, 1980, and the rules and regulations made thereunder, including adherence to ICSI Auditing Standards. In view of their qualifications and experience in undertaking Secretarial Audit, it is proposed to appoint M/s. S Dhanapal & Associates LLP as Secretarial Auditors of the Company. The Remuneration payable to M/s. S Dhanapal & Associates LLP for the Financial Year 2026–27 and thereafter will be as mutually agreed between Board of Directors and Secretarial Auditor. The Board recommends the Ordinary Resolution set out at Item No. 3 of the accompanying Notice for approval by the Members of the Company.

## By order of the Board

For California Software Company Limited

Date: September 05, 2025

Place: Chennai


**Dr. Mahalingam Vasudevan**

Managing Director

DIN: 01608150

**Registered Office:**

Workflo, Greeta Towers, Industrial Estate,  
Perungudi, OMR Phase 1, Chennai – 600096

The background of the slide is a detailed illustration of a human head in profile, facing right. The head is rendered with a metallic, futuristic aesthetic. The interior of the head is visible, showing a complex network of glowing red and orange lines and nodes, resembling a neural network or data flow. The eyes are a bright orange color. The overall color palette is dark, with highlights in blue and white. In the top right corner, there are two large, semi-transparent circles: a yellow one and a red one. The text "MANAGEMENT DISCUSSION AND ANALYSIS" is written in a large, white, sans-serif font, centered in the lower half of the image.

# MANAGEMENT DISCUSSION AND ANALYSIS

# EMPOWERING SMALL AND MICROBUSINESSES THROUGH AI

**Empowering Small Businesses through Innovation:** In fiscal year 2024–25, Calsoft sharpened its strategic focus on empowering small and microenterprises with cutting-edge artificial intelligence (AI) solutions. Across industries and geographies, AI has rapidly become a game-changer for smaller businesses, leveling the playing field with larger competitors. Once seen as a luxury for big firms, AI is now viewed as **“the competitive standard for businesses of every size”, offering new levels of scalability and productivity that once felt unattainable for small companies.** This MD&A discusses how Calsoft aligned its strategy to these trends, leveraging AI to drive client growth and innovation in e-commerce, marketing, finance, supply chain, SaaS, customer service, and CRM domains.





# EMPOWERING SMALL AND MICROBUSINESSES THROUGH AI



**Unprecedented AI Adoption in 2024–25:** The past year witnessed an unprecedented surge in AI adoption among small businesses globally. **About 68% of small business owners report already using AI, up sharply from 51% just two years prior.** An additional 9% plan to begin using AI within the next year, indicating that roughly three-quarters of small firms will soon be AI-powered. Crucially, most entrepreneurs see AI as an enabler of growth rather than a threat: **around 80% say AI is enhancing (not replacing) their workforce, and nearly 40% plan to create new jobs in 2025 because of AI-driven productivity gains.** Surveys also show over 80% of small businesses adopting AI have increased efficiency and productivity, and more than half report AI provides better data for decision-making and new capabilities for expansion. At the same time, many small enterprises still face resource and expertise gaps in deploying AI effectively. This presents both a challenge and an opportunity – one that Calsoft has proactively addressed through accessible technology and client support.



# EMPOWERING SMALL AND MICROBUSINESSES THROUGH AI

**Calsoft's AI-Driven Mission:** Calsoft's mission in FY 2024–25 centered on democratizing advanced technology for the **"fortune five million"** – the startups, mom-and-pop retailers, local service providers, and microentrepreneurs that form the backbone of the economy. The Company invested heavily in AI-powered platforms tailored to small business needs, introduced affordable pricing models, and provided training and support to lower barriers to adoption. Key initiatives included the expansion of **dSpeedUp** (a no-code e-commerce and point-of-sale platform), the launch of **dRyZe CRM** (enterprise-grade AI CRM at a micro-business price point), and enhancements to AI-driven tools like **dBotMinds** (an intelligent sales/support chatbot) and **Zaywoo** (an emerging AI platform in our ecosystem). Through these efforts, Calsoft enabled clients to harness AI for online sales, digital marketing, customer service, logistics, and more – all while maintaining a responsible, inclusive approach to technology. As detailed in the sections that follow, our strategic direction tightly aligned with market trends, and our solutions delivered tangible benefits to small businesses, from higher sales growth to time and cost savings.



*Crucially, most entrepreneurs see AI as an enabler of growth rather than a threat: **around 80% say AI is enhancing (not replacing) their workforce, and nearly 40% plan to create new jobs in 2025 because of AI-driven productivity gains.** Surveys also show **over 80% of small businesses adopting AI have increased efficiency and productivity,** and more than half report AI provides better data for decision-making and new capabilities for expansion.*



# Strategic Overview

**Strategy Focused on Small Enterprise Empowerment:** During 2024–25, Calsoft’s strategy was guided by a clear vision: **to empower small and microbusinesses through accessible AI-driven solutions.** The Company recognized early that AI’s transformational impact should not be limited to large corporations. Small enterprises often lack in-house data science teams or big-IT budgets; thus, Calsoft positioned itself as the partner who bridges that gap. We concentrated R&D and investments on platforms that package advanced AI capabilities into user-friendly, cloud-based services that entrepreneurs can afford and implement quickly. Notably, Calsoft **introduced innovative pricing** and onboarding programs to reduce friction for small businesses. For example, **dRyZe CRM’s entry plan was set at just \$10 per month for up to 5 users, deliberately removing the price barrier that had long prevented micro-businesses from using sophisticated CRM tools.** Likewise, dSpeedUp’s e-commerce solution offered simple drag-and-drop setup and flat, transparent pricing – enabling even non-technical founders to launch AI-enhanced online stores in minutes.

**Key Initiatives and Achievements:** Throughout the year, Calsoft rolled out several key initiatives in line with this strategy:

- **Launch of dSpeedUp “10-Minute Challenge”:** To demonstrate how quickly a business can get online, we launched a “10-Minute eCommerce Challenge” campaign. Entrepreneurs were invited to build a functional online store via **dSpeedUp SuperApp** in under 10 minutes – no coding required. This initiative showcased dSpeedUp’s ease of use and spurred adoption among time- and resource-strapped business owners. The result was a significant uptick in dSpeedUp subscriptions and engagement, especially among first-time digital entrepreneurs.



- **Expansion of AI Capabilities in Core Platforms:** We significantly enhanced AI features across our product suite. **dSpeedUp**, our all-in-one commerce platform, integrated new AI-driven tools for marketing automation, personalized shopping experiences, and multi-channel sales analytics. **dRyZe CRM** saw improvements like **predictive lead scoring, real-time analytics dashboards, and built-in AI chatbot integration**, helping small sales teams focus on the hottest leads and respond to customers 24/7[7]. We also introduced **dBotMinds**, an AI-powered virtual agent that automates customer interactions in **95+ languages**, captures leads, recovers abandoned carts, and syncs all data seamlessly with dRyZe CRM. These capabilities gave our clients the kind of sophisticated automation and intelligence that was once the domain of large enterprises, now at a fraction of the complexity and cost.



# Strategic Overview

- Market Penetration and User Growth:** Calsoft’s emphasis on affordable, scalable solutions resulted in robust user growth during the year. **dSpeedUp’s digital ecosystem grew to serve over 1000 merchants, achieving 95% annual client retention** as small retailers and service providers embraced the platform’s benefits.. Our CRM user base also expanded globally, with particularly strong uptake in emerging markets and among startups/solopreneurs who were previously managing contacts through spreadsheets. This growth validated our thesis that there is enormous latent demand in the small business segment for technology that is both powerful and practical.
- Client Education and Support:** Recognizing that lack of AI expertise is a hurdle for many small firms, we bolstered our client education initiatives. Calsoft conducted workshops, webinars, and one-on-one training sessions on topics such as using AI for marketing, interpreting analytics, and best practices for data privacy. We also strengthened our customer success teams to provide hands-on support during onboarding. These efforts were aimed at closing the “resource and information gap” noted in industry surveys (e.g. 42% of small businesses reported not having the necessary expertise or resources to deploy AI effectively. By actively guiding our clients, we helped ensure that technology investments translated into real operational improvements for them.

**Agility and Alignment with Market Trends:** Overall, Calsoft navigated FY 2024–25 with agility, continuously aligning our offerings to fast-evolving market trends. Mid-year, as **generative AI gained mainstream visibility**, we quickly incorporated OpenAI/GPT integration into our platforms (for instance, enabling AI-assisted content creation in marketing modules and conversational AI in customer support). We also monitored regulatory discussions on AI and preemptively enhanced our systems for compliance and ethical safeguards (detailed in a later section on Responsible AI). The Company’s future-focused approach, combined with our 30+ years of experience in technology services, allowed us to deliver stable yet innovative solutions. By year-end, Calsoft had firmly established itself as a leader in providing AI-fueled platforms for the small business economy – empowering our clients to grow faster, work smarter, and compete in the digital era.

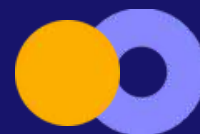
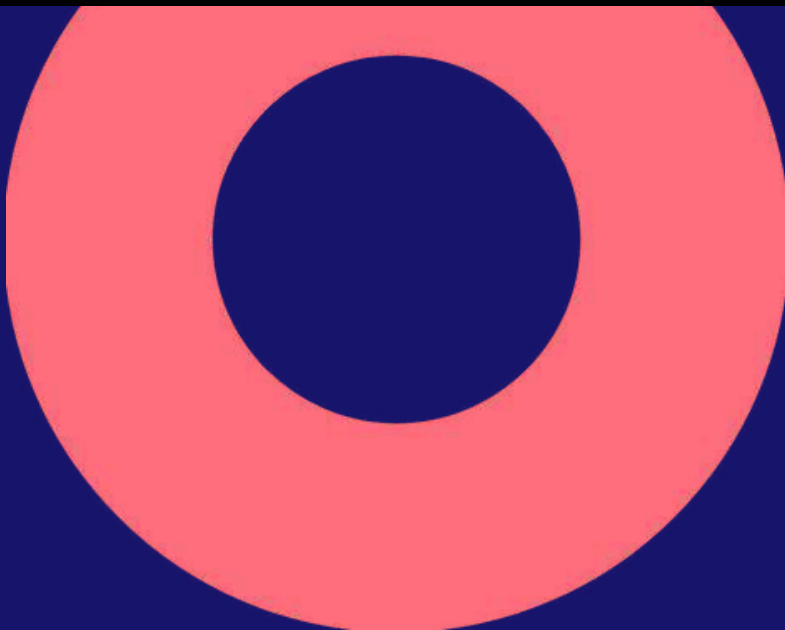


# Market Trends and AI Adoption Across Key Industries – E-commerce and Retail



## Market Trends and AI Adoption Across Key Industries

Small and microbusinesses in 2024–25 operated in a macro-environment defined by rapid digitalization and AI proliferation across virtually every industry. This section reviews real-world market research and trends in how AI technologies are being adopted in several domains relevant to Calsoft's clients – **E-commerce, Marketing, Financial Services, Supply Chain, SaaS, Customer Service, and CRM systems**. These trends provide context for Calsoft's strategic choices and underscore the opportunities AI created for our target customer segment.







# AI in E-Commerce and Retail

For small retailers and e-commerce startups, AI has become indispensable for driving online sales and optimizing operations. **Artificial intelligence in e-commerce was valued at ~\$8.65 billion in 2025 and is projected to grow to over \$22.6 billion by 2032 (14.6% CAGR).** This growth reflects a widespread integration of AI into retail platforms and practices. **Even smaller e-commerce companies are rapidly implementing AI – one U.S. survey found one-third of B2B e-commerce firms have fully implemented AI, and nearly half are actively evaluating it.**



**Generative AI Adoption:** 58% of SMBs reported using generative AI in 2025, up from 40% in 2024, with marketing as the top use case (U.S. Chamber Report).



**CRM Case Benchmark:** TechNova reduced sales cycles by 50% and boosted conversions 35% via AI-driven CRM automation, validating Calsoft's CRM strategy (AI in the Enterprise Ebook).



# AI in E-Commerce and Retail

## Key use cases in e-commerce include:

- Personalized Shopping Experiences:** AI enables even a tiny online shop to deliver Amazon-like personalization. Machine learning models analyze customer behavior to power product recommendations, “customers also bought” suggestions, and targeted promotions. This drives higher conversion rates and basket sizes. In fact, many retailers now derive **10–30% of revenue from AI-driven upselling and suggestive selling techniques**. Calsoft’s dSpeedUp platform leverages these capabilities by **providing AI-powered recommendation engines and personalized storefronts** to merchants out-of-the-box. By analyzing each shopper’s browsing and purchase history, the system can automatically highlight the most relevant products, helping a micro-business boost sales with minimal manual effort.
- Multi-Channel Sales and Inventory Optimization:** E-commerce merchants often sell across websites, marketplaces, and social channels. AI helps keep inventory optimized and synced in real time. Intelligent demand forecasting (using algorithms that factor in seasonality, trends, and even social media sentiment) **can reduce forecasting errors by up to 50% and cut lost sales from stock-outs by up to 65%**, according to studies. This is crucial for small businesses that cannot afford overstock or missed sales. Our dSpeedUp platform integrates **AI-driven inventory management and auto-replenishment** that adjusts to sales velocity, enabling merchants to maintain the right stock levels across all channels. Furthermore, features like **AI-based sentiment analysis scan customer reviews and social mentions to flag trending products or potential issues in real time**, so sellers can adapt their offerings proactively.







- Customer Engagement and Support:** AI chatbots and virtual shopping assistants have become common in retail, and not just for the big brands. In 2024, nearly **31% of retail companies reported using chatbots or virtual agents for customer service** – a trend that extends to boutique e-commerce sites that install AI chat widgets for answering FAQs or providing styling advice. For small businesses, these AI assistants allow round-the-clock customer interaction without hiring 24/7 staff. For example, on an online artisanal crafts store using Calsoft's tools, an AI chatbot can greet visitors, recommend products based on queries, and even upsell complementary items, significantly improving the customer experience and sales conversion rates. **dBotMinds, Calsoft's AI chat agent, is designed to do exactly this – handling inquiries in 95+ languages, guiding customers through purchase decisions, and seamlessly handing off complex questions to the human team as needed.** This kind of AI-driven service helps microbusinesses project a professional, responsive image to customers worldwide.

Overall, 2024–25 showed that AI is no longer optional in e-commerce – it is essential for efficiency and growth. Notably, a **Workday study in April 2025 observed that AI is now considered "critical for helping small businesses create efficient operations to stay productive without overburdening staff."** The study emphasized that **AI is truly "leveling the playing field" for smaller retailers, offering capabilities that once only large enterprises could deploy.** Calsoft's experience aligns with this: we have seen sole proprietors use dSpeedUp's AI features to manage inventory and marketing with the sophistication of a much larger operation. The Company's strategic emphasis on AI in its e-commerce solutions directly responds to these market dynamics, enabling our clients to sell smarter and scale faster in the digital marketplace.

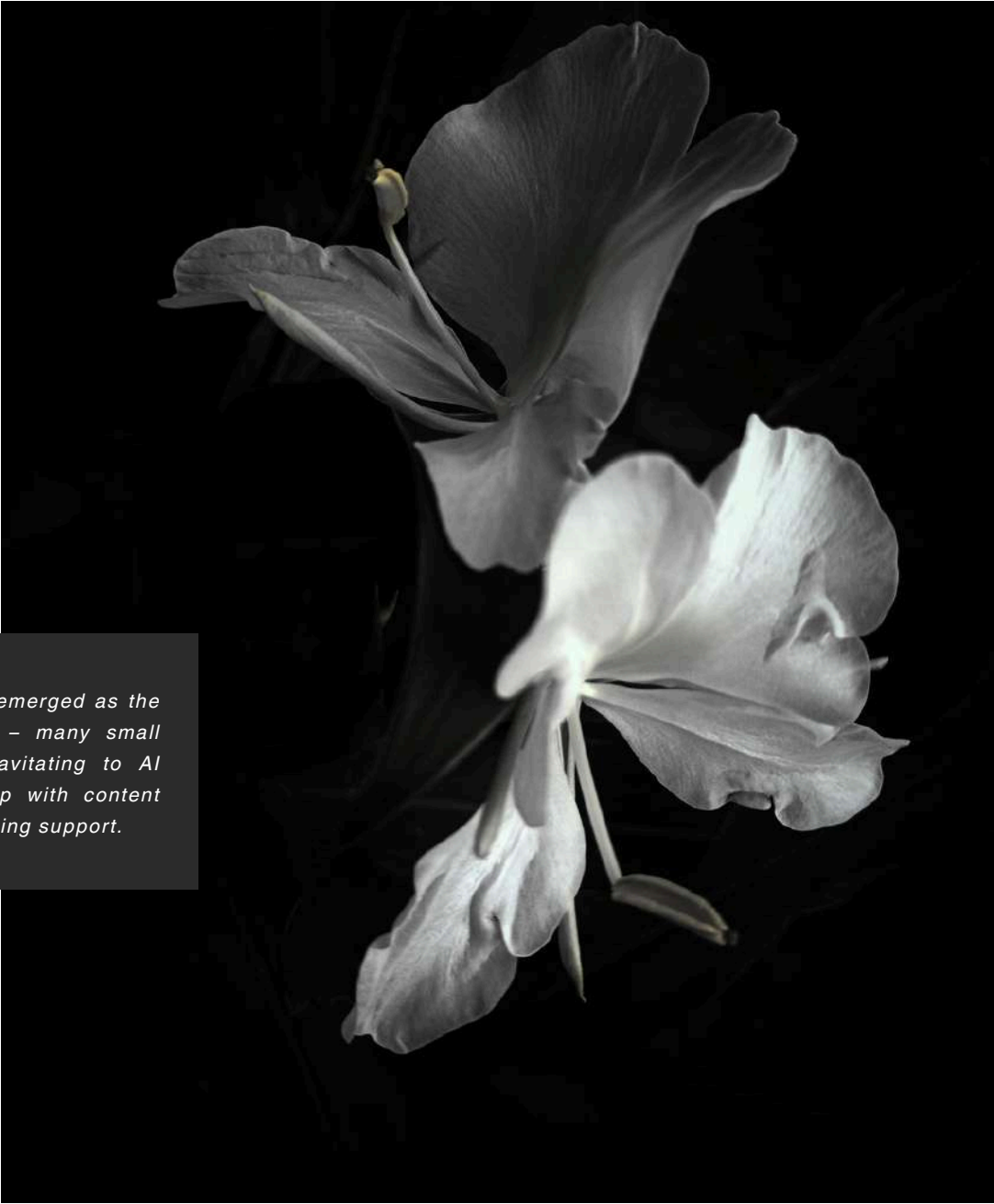




# AI IN MARKETING AND ADVERTISING

For small businesses, marketing is an area where AI made a dramatic impact in 2024–25. **Generative AI and machine learning tools are revolutionizing how entrepreneurs attract and engage customers.** A striking data point from the U.S. Chamber’s “Empowering Small Business” report illustrates this shift: **58% of small businesses reported using generative AI in 2025, up from just 40% in 2024 – more than doubling the adoption rate of the prior year.** This surge is driven largely by marketing use cases, as resource-constrained teams turn to AI to extend their capabilities.

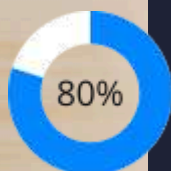
# AI IN MARKETING AND ADVERTISING

A large, high-contrast, black and white image of two white flowers, possibly lilies, set against a solid black background. The flowers are illuminated from the side, creating strong highlights on their petals and deep shadows elsewhere. One flower is in the foreground, slightly to the right, and another is behind it and to the left.

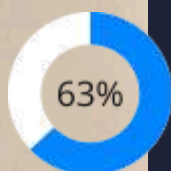
*Content marketing emerged as the top AI application – many small businesses are gravitating to AI specifically for help with content creation and marketing support.*

**Content Creation and Personalization:** One of the most popular uses of AI for small business marketing is content generation. **In a national SMB survey, content marketing emerged as the top AI application – many small businesses are gravitating to AI specifically for help with content creation and marketing support.** Tools like AI copywriters and image generators allow a single individual to produce professional-quality ads, blog posts, product descriptions, and social media updates at scale. This was transformative in FY 2024–25, when maintaining a digital presence became ever more critical. Calsoft integrated such generative AI features into our marketing offerings – for example, enabling users of dSpeedUp to auto-generate product copy or social captions based on a few keywords, and allowing dRyZe CRM users to craft personalized email campaigns with AI suggestions. These features ensure even microbusinesses can keep their marketing content fresh and engaging without hiring large creative teams.

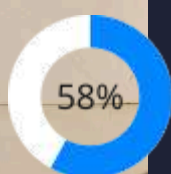




80% of small business owners who use AI believe it is essential to meeting rising customer expectations for personalized, speedy service



63% of AI-adopting SMBs use AI daily, and top applications include data analysis (62% of users) and content generation (55%) among others.

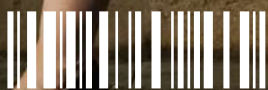


58% of businesses saved over 20 hours per month, time which they could reinvest into growth initiatives

FASHION  
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FASHION  
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# AI IN MARKETING AND ADVERTISING



- **Targeting, Analytics, and ROI Optimization:** AI also helps small businesses maximize the impact of limited marketing budgets. Machine learning algorithms can analyze customer data to micro-segment audiences and target the right customer with the right message. For instance, an online boutique can use AI-driven analytics to discover that a particular customer segment responds strongly to eco-friendly messaging, and then automatically personalize the website and emails for that segment. **Surveys show that 80% of small business owners who use AI believe it is essential to meeting rising customer expectations for personalized, speedy service** – personalization that is particularly relevant in marketing communications. Additionally, AI-powered dashboards (like those in dRyZe CRM) give real-time insight into campaign performance, recommending budget reallocations to the best-performing channels. This level of data-driven decision-making was once out of reach for small enterprises; now it's accessible via intuitive SaaS tools. According to Thryv's 2025 Small Business AI study, **63% of AI-adopting SMBs use AI daily, and top applications include data analysis (62% of users) and content generation (55%) among others.** The same study found that by automating such tasks, **58% of these businesses saved over 20 hours per month, time which they could reinvest into growth initiatives.** These statistics underscore how AI in marketing is not just a fancy experiment – it's driving real efficiency gains and freeing entrepreneurs to focus on strategy and creative decision-making.





# AI IN MARKETING AND ADVERTISING

**Customer Engagement & Lead Nurturing:** Marketing doesn't stop at lead acquisition; nurturing prospects and engaging existing customers are equally critical, and AI is assisting here as well. Chatbot-based campaign responders, AI-driven autoresponders on email/WhatsApp, and predictive lead scoring are now commonplace. For example, if someone interacts with a Facebook ad, an AI system can instantly send a tailored follow-up message or schedule a drip email sequence – actions that increase conversion odds without manual intervention. **Many small firms say AI is helping them respond faster to customer inquiries and reviews; in one survey 66% agreed AI could automatically handle customer review responses effectively (with a majority seeing it as beneficial for improving customer relations as well).** In Calsoft's platform, we've embedded these capabilities: **dRyZe CRM uses AI to automate follow-ups and rank leads by propensity to buy, so that a small business owner knows exactly where to focus their limited time.** This kind of intelligent automation can boost conversion rates significantly. A concrete example is a case study from this year: a Chennai-based boutique store that implemented dRyZe CRM's AI-driven follow-up saw a **60% increase in sales within 3 months**, thanks to more timely and personalized engagement with its WhatsApp leads[24]. This illustrates the power of marrying marketing and AI for small enterprises – real revenue impact from relatively simple tech adoption.

In sum, 2024–25 proved that AI is a marketer's force-multiplier, especially for small businesses with limited manpower. Whether it's generating compelling content, targeting the right audiences, or sustaining customer relationships, AI tools have enabled SMBs to punch above their weight. Calsoft anticipated this trend and ensured our clients could leverage AI in their marketing efforts out-of-the-box. We also practiced what we preach: our own marketing team used AI analytics extensively to fine-tune our outreach to small business communities. The result has been more effective campaigns both for Calsoft and for our clients, aligning marketing spend with what actually works – a critical advantage in a year of intense digital competition.







# AI in Financial Services for Small Businesses

AI's influence on financial services during FY 2024–25 was profound, benefitting not only banks and fintech companies but also the small businesses that rely on financial services. Two perspectives are relevant here: (1) how AI is used by financial institutions to better serve small and microbusinesses (for example, in lending and payments), and (2) how small businesses themselves use AI to manage their finances more efficiently. Both angles saw significant advancements.

**Fintech and Small Business Lending:** Access to capital is a perennial challenge for small enterprises. In 2024–25, AI helped address this by enabling smarter, faster lending decisions. Traditional loan underwriting for a microbusiness can be cumbersome, but AI-driven credit models (leveraging alternative data sources and machine learning algorithms) have sped up this process. Many fintech lenders now use AI to assess creditworthiness of a small business by analyzing cash-flow patterns, online sales data, even social media signals. The result is quicker loan approvals and more inclusive lending. Indeed, the **SME Finance Forum reported that by 2024 a whopping 91% of financial services companies worldwide were either using AI or actively assessing it for production use**, with SME lending identified as a prime area of opportunity. In practice, this means banks and fintechs are increasingly offering AI-powered loan platforms where, for example, a neighborhood café can get a working capital loan approved in hours rather than weeks. Calsoft's contribution in this space includes **dFins**, our blockchain-based financial platform that enables users (including small businesses and entrepreneurs) to interact directly with smart contracts to lend, borrow, and invest in a decentralized manner. While still nascent, this kind of technology points toward a future where microenterprises can access financing on peer-to-peer platforms with AI managing risk and matching borrowers to lenders efficiently.



# AI in Financial Services for Small Businesses



**AI in Accounting and Financial Management:** On the operational side, small businesses increasingly turned to AI-enabled software to handle accounting, bookkeeping, and financial planning. Major small-business accounting platforms (such as QuickBooks Online) integrated AI-based features that automate routine tasks like categorizing expenses, reconciling accounts, and forecasting cash flows[27][28]. For instance, AI can learn from a company’s historical transactions to predict future cash shortages or identify cost-saving opportunities, providing something of a “virtual CFO” for companies that cannot afford full-time financial analysts. Calsoft has kept pace by ensuring our solutions readily integrate with popular accounting AI tools and by building AI analytics into our CRM and e-commerce dashboards – giving clients a unified view of their financial health. This year, we saw many customers benefit from these innovations: AI-driven expense management saved owners countless hours (one retail client reported that automated invoice processing via an AI tool cut their monthly bookkeeping time by 75%), and predictive cash flow alerts helped businesses preempt shortfalls (for example, an AI alert might prompt a business to secure additional funds or reduce spending two months before a projected cash dip).

**Fraud Detection and Security:** AI also played a critical role in financial security. Small businesses are often targets for payment fraud or cyber-attacks but lack dedicated security teams. AI-based fraud detection systems offered a safeguard – monitoring transactions in real time and flagging anomalies far more effectively than manual methods. Payment processors used machine learning to identify suspicious patterns (such as abnormal purchasing spikes or mismatched location data), preventing fraudulent charges or account takeovers. In 2024–25, Calsoft partnered with secure payment gateway providers as part of dSpeedUp’s integrated payments, leveraging their AI fraud filters to ensure even the smallest merchants on our platform benefited from enterprise-grade security. This emphasis on trust and security is crucial for financial sustainability and was a recurring theme in our client feedback.

**Financial Insights for Decision-Making:** Finally, AI has democratized financial analytics. Complex modelling that once required a financial analyst can now be done by AI, with digestible outputs for a business owner. For example, scenario planning (“What if my sales drop 10% next quarter – what costs can I cut?”) can be evaluated by AI models to guide decision-making. **Nearly two-thirds of small businesses in surveys expressed optimism that AI will help them navigate economic uncertainty** by providing better forecasts and insights. We certainly observed this optimism among our client base. Many small business owners, after implementing our AI-enhanced tools, reported feeling more in control of their finances because they could see data trends and get suggestions (like “consider negotiating better supplier terms” if margins are predicted to tighten). This is precisely the empowerment we aim for – using AI to convert raw financial data into actionable knowledge for entrepreneurs.

In summary, the financial services landscape in 2024–25 moved decisively toward AI, benefiting small businesses in multiple dimensions: easier access to credit, streamlined financial ops, improved security, and sharper financial insight. Calsoft’s strategic investments in fintech integrations and AI analytics align with these trends, ensuring that our clients are not only on the receiving end of improved bank services but also directly harnessing AI to run their financial affairs prudently. We believe these capabilities contribute to the overall resilience and growth of the small business sector, which in turn benefits the broader economy.

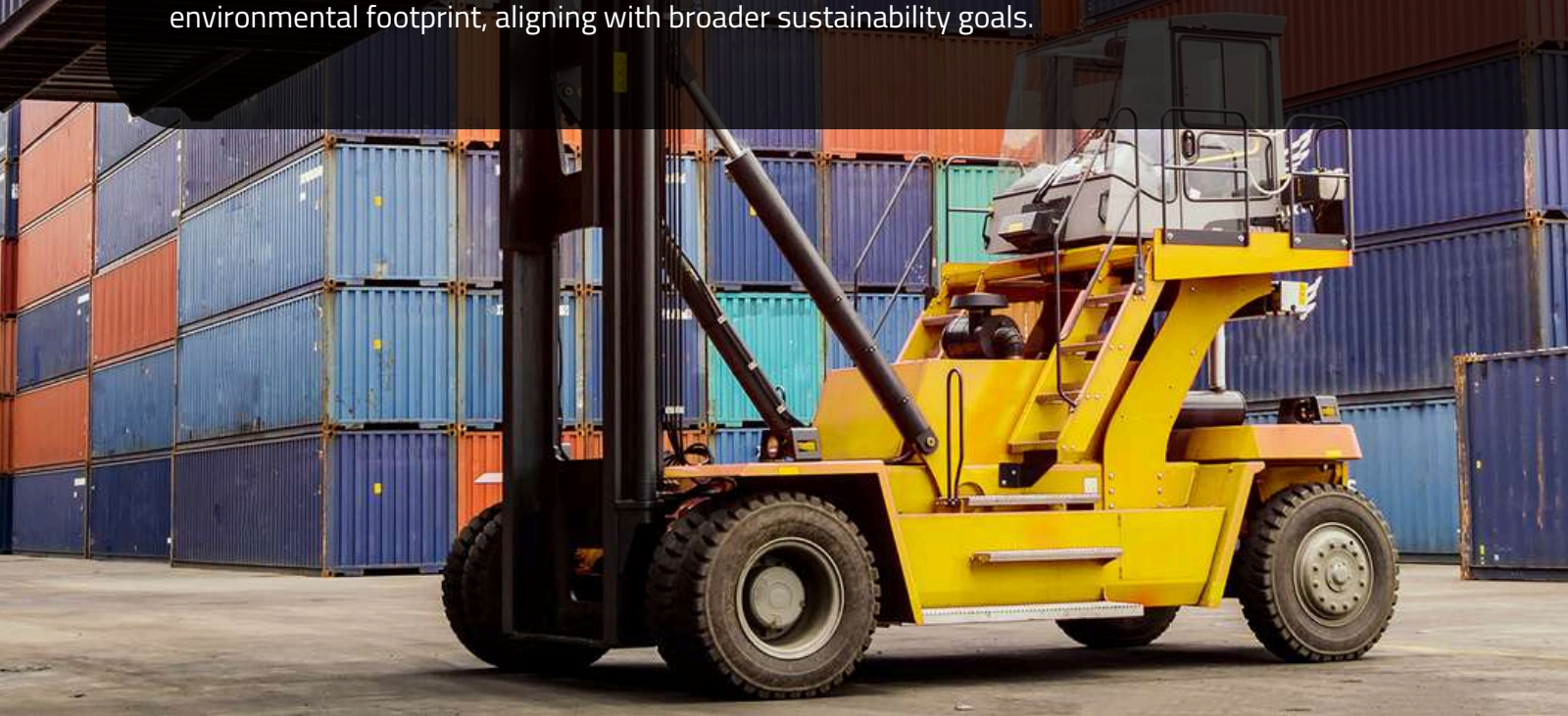


*Nearly two-thirds of small businesses in surveys expressed optimism that AI will help them navigate economic uncertainty by providing better forecasts and insights.*

# AI in Supply Chain and Logistics

Efficient supply chain management, once the exclusive focus of large enterprises with global operations, has become increasingly relevant to smaller businesses – especially those dealing with physical products. In FY 2024–25, AI technologies made supply chain and logistics optimization accessible to firms of all sizes. This has helped small manufacturers, distributors, and even e-commerce merchants to cut costs, reduce waste, and improve reliability in their operations.

**Demand Forecasting and Inventory Management:** One of AI's most valuable contributions in supply chain is more accurate demand forecasting. **AI-powered predictive analytics can analyze historical sales, market trends, seasonality, and external factors to forecast demand far more accurately than traditional methods.** For a small business, this means deciding how much stock to carry or raw material to order becomes less of a guessing game. By avoiding overstocking (tying up precious capital in inventory) and minimizing stockouts, businesses both save money and increase sales. Industry research indicates that **applying AI to supply chain forecasting can reduce errors by 20–50% and lower inventory holding costs significantly.** We saw these benefits with our clients. For example, a regional apparel boutique using dSpeedUp's inventory AI moved from manually estimating seasonal demand to using our system's recommendations – they subsequently reported a reduction in surplus stock, freeing up working capital, and experienced fewer missed sales on popular items. These efficiency gains are critical for small players with tight margins. Notably, improved forecasting and inventory optimization also carry a sustainability benefit: less overproduction and waste ultimately mean a smaller environmental footprint, aligning with broader sustainability goals.





# AI in Supply Chain and Logistics



**Intelligent Routing and Logistics:** AI is also transforming how small businesses manage deliveries and logistics. In 2024, many logistics providers opened up AI-driven route optimization services that even small shippers could use. **By analyzing traffic data, weather, and delivery locations, AI can optimize delivery routes in real time – minimizing fuel costs and ensuring timely deliveries.** Small businesses that run their own delivery vans or even local couriers benefited from these optimizations. Additionally, ride-sharing and on-demand delivery apps (which many of our clients integrate with) use AI to batch orders and sequence stops efficiently. For instance, a small food business using dSpeedUp's food delivery module can leverage the platform's AI scheduling to dispatch drivers in an order that shortens delivery times during the lunch rush. The outcome is higher customer satisfaction and lower operational cost. If delays or disruptions occur, AI models can predict and alert managers, allowing proactive communication with customers – a level of service that helps a small company build trust.

**Automation of Order Fulfillment:** In warehouses and stockrooms, AI-driven automation is becoming viable even at smaller scales. Simple AI-powered tools like smart barcode scanners, IoT sensors, and robotic process automation (RPA) software can automate order processing steps that used to require manual intervention. For example, when an order comes in via an online store, AI-based systems can immediately trigger a pick-list, choose the optimal warehouse (if there are multiple), and even control basic robotic arms for packing in some cases. Automating order processing leads to faster fulfillment times and fewer errors – it's reported that **AI automation can improve order accuracy and speed, leading to greater customer satisfaction.** While full robotics may be beyond the budget of a micro-business, many of these capabilities are now available "as a service" or through leasing, meaning small firms can tap into them without massive capital expenditure. Calsoft's platforms facilitate integration with such services. We've ensured dSpeedUp, for example, can connect with third-party warehouse management systems that employ AI optimizations. The net effect is that a small company can scale up volume without a corresponding linear increase in labor costs – AI and automation absorb some of the load.





# AI in Supply Chain and Logistics

**Supply Chain Visibility and Risk Management:** The COVID-19 pandemic underscored how important supply chain visibility and agility are. In 2024–25, AI tools have given even small businesses better visibility into their supply chains and the ability to anticipate risks. **AI systems can monitor data from various sources (suppliers' stock levels, shipment tracking, news feeds about disruptions) and identify potential supply bottlenecks or delays, allowing businesses to react proactively.** For instance, if a particular ingredient a bakery relies on is becoming scarce or delayed, an AI alert might prompt the owner to find an alternate supplier in advance. Some 31% of senior executives in grocery retail (which includes many independent grocers) believe AI will most impact customer service in their sector, but another **22% believe its biggest impact will be in improving supply chain processes and 19% in inventory management.** This signals recognition that supply chain AI is a key area of value. Calsoft has begun incorporating such AI-driven visibility in our solutions – for example, a **dashboard that flags when a normally prompt supplier starts having longer delivery times, or when the lead time volatility increases, so the business can adjust reorder points.** Coupled with blockchain in our dFins platform for transparency, we envision small businesses having the same level of supply chain insight as large companies, thereby increasing their resilience.

In conclusion, AI in supply chain management during 2024–25 helped small businesses become more efficient, responsive, and resilient. What's particularly exciting is that improvements in this area often hit the "triple bottom line": better profits (through cost savings), better customer service (through reliability and speed), and better sustainability (through waste reduction and fuel savings). Calsoft's commitment is to continue embedding these supply chain AI capabilities into our offerings, so that even the smallest manufacturer or retailer can operate with world-class supply chain practices. We believe this democratization of supply chain excellence will be a long-term competitive advantage for our clients.





# AI in Software as a Service (SaaS) Solutions



The Software-as-a-Service model has been a great equalizer for technology access over the past decade, and in 2024–25 it experienced its own revolution with the infusion of AI features. For small and microbusinesses, this meant that many of the cloud software tools they already rely on – from project management to HR to productivity suites – suddenly became smarter and more automated. The convergence of SaaS and AI is a critical trend that amplified the capabilities of small businesses without requiring additional IT infrastructure or personnel.



# AI in Software as a Service (SaaS) Solutions

**Pervasive AI Enhancements:** Major SaaS providers across domains rolled out AI-driven enhancements this year. Office productivity suites introduced AI assistants that can draft documents or analyze spreadsheets via natural language queries. CRM and sales software integrated AI to suggest next-best actions with leads. Customer support ticketing systems added AI that could auto-classify and even auto-respond to common inquiries. The scale of adoption was significant – a global McKinsey study noted that **the use of generative AI in business rose from 33% of companies in 2023 to 71% in 2024**, cutting across functions from IT to operations[39]. For small businesses, much of this AI is consumed through SaaS tools. In effect, by subscribing to, say, a scheduling app or an e-commerce platform, an entrepreneur also gains access to the AI capabilities embedded within it. This is exactly the model Calsoft follows. We delivered AI features to our clients simply as part of our subscription services – there’s no need for them to develop algorithms or hire data scientists. For instance, when we added an AI-based sentiment analysis feature to dSpeedUp (to automatically gauge customer satisfaction from reviews), all users instantly benefited after a routine software update[40]. The SaaS model thus accelerates dissemination of AI: one update, many beneficiaries



**Affordable Access to Advanced Tech:** The AI-SaaS combination has dramatically lowered the cost threshold for accessing advanced technology. In the past, leveraging AI might have meant custom development or expensive software licenses, which were out of reach for microbusinesses. Now, even free or low-tier SaaS plans often come with basic AI features, and premium plans offer quite sophisticated AI tools at modest incremental cost. Calsoft’s own pricing philosophy has been to keep our platforms affordable while bundling in all features. **For a flat \$10/month, dRyZe CRM provides what is essentially an enterprise-grade, AI-enabled CRM solution to a small business** – including capabilities like chatbot integration and predictive analytics that competing enterprise software might charge hundreds of dollars for. This is game-changing for a 5-person company that can now leverage sales automation and analytics previously available only to large sales forces.



# AI in Software as a Service (SaaS) Solutions



Similarly, **our dSpeedUp commerce platform charges a simple monthly fee (~\$15 USD) with no add-on fees, unlocking all AI-driven features for subscribers.** We believe this transparent, inclusive pricing is key to digital equity, ensuring that the smallest businesses can afford the best tools. Market trends suggest this approach is wise: small businesses are eager to adopt AI when it's accessible – one survey found **78% of SMB owners felt AI was necessary to meet customer expectations for speed/personalization, but 42% of those not using AI cited lack of resources or expertise as the barrier.** SaaS delivery addresses both issues by providing ready-made AI and economies of scale in pricing.

**Integration and Ecosystem Advantages:** Another trend in 2024–25 was the growing integration of various SaaS applications via AI. For example, many small businesses use a stack of different cloud apps (accounting, CRM, email marketing, etc.). Now, AI is helping to connect the dots between them. Some AI platforms act as an overlay, drawing data from multiple apps to provide unified insights – such as a dashboard that pulls marketing data from one system and sales outcomes from another to tell you which campaigns drove the most revenue. Calsoft anticipated the importance of integration; our platforms are designed as an ecosystem (e.g., dSpeedUp with built-in CRM and marketing, or seamless syncing between dBotMinds chatbot and dRyZe CRM). **Our platform combines storefront, POS, CRM, marketing, and delivery services in one super-app, connected via headless APIs and AI-driven tools – allowing merchants to manage their business end-to-end in one place.** The result is that small business owners spend less time juggling software and more time gaining actionable insights. For instance, a user in our ecosystem can see how a Facebook ad (tracked in the marketing module) led to a sale in their e-commerce store, and how that customer then engaged with a post-sale survey – all within a single AI-curated report. Such integration was historically a challenge for SMEs, but AI is making it seamless by automating data sharing and analysis across the SaaS tools.



Looking forward, the “AI inside SaaS” trend will only deepen. We expect virtually every software tool to have intelligent features, and we are architecting our products to both incorporate native AI and to integrate with third-party AI services as needed. The key takeaway from 2024–25 is that **SaaS has been the vehicle that delivered AI to millions of small businesses en masse.** This synergistic combination aligns perfectly with Calsoft’s business model, validating our strategy of offering AI-powered solutions on a subscription basis. We will continue to monitor this space closely and ensure our clients always have access to the latest innovations through our platforms, without complexity.







# AI IN CUSTOMER SERVICE

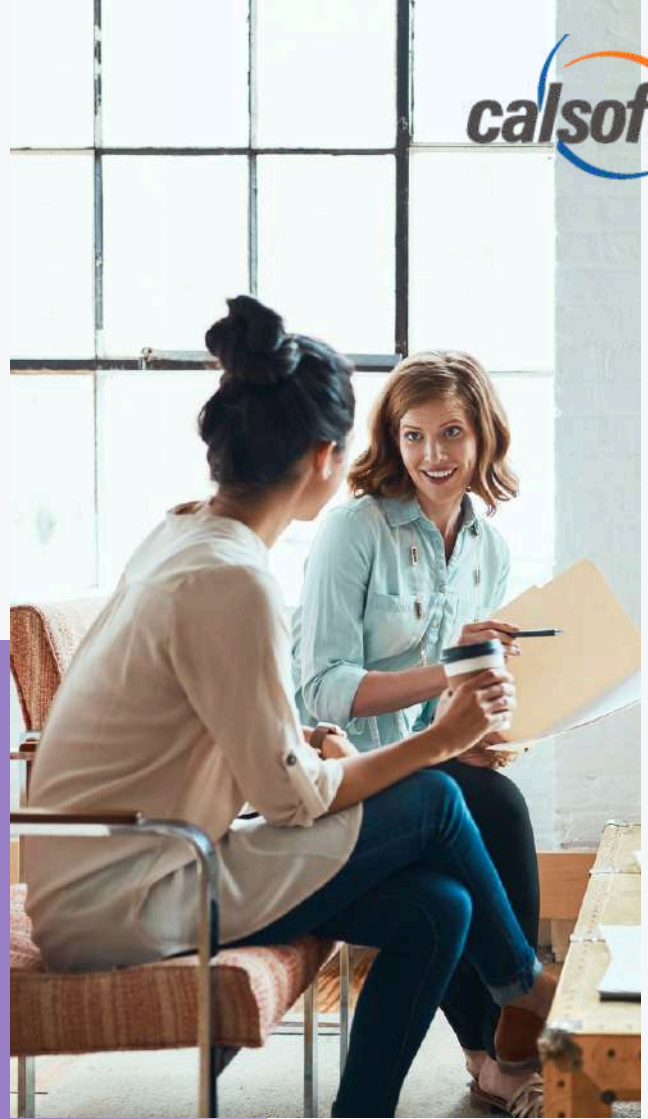
Exceptional customer service is a differentiator for businesses of any size, but small businesses often struggle to provide round-the-clock, instantaneous support with limited staff. In 2024–25, AI emerged as a crucial ally for customer service in the small business context. Through chatbots, AI-assisted contact centers, and automated self-service tools, even a tiny company can now deliver responsive support that rivals larger competitors.

# AI IN CUSTOMER SERVICE



**24/7 Chatbots and Virtual Assistants:** Perhaps the most visible trend was the ubiquity of AI chatbots handling front-line customer inquiries. **By 2024, roughly one-third of companies (including many SMEs) were using chatbots or virtual agents for customer engagement**, and among small businesses using AI, about **46% were leveraging it for customer engagement tasks like chatbots**. These AI assistants address common questions, help with product selection, process basic service requests, and can even initiate sales conversations – all without human intervention, and at any hour. For a small business, this is transformative. For example, a family-owned electronics shop's website can use an AI chatbot to guide a customer to the right model of headphones past midnight, when the shop owners are asleep. The customer gets an immediate answer instead of waiting until the next day (by which time they might have bought elsewhere). Calsoft's **dBotMinds AI agent is designed to enable exactly this level of service for our clients**, without them needing to write a single line of code. It comes pre-trained on common small-business scenarios and can be further customized. This year, numerous clients deployed dBotMinds on their websites and WhatsApp channels; the feedback was overwhelmingly positive as it significantly reduced missed inquiries. Importantly, the AI can hand over to a human seamlessly if it detects the query is complex or the user asks for human help, ensuring a smooth customer experience.






## AI in Customer Service

**Consistency and Speed:** AI customer service tools also ensured consistency in service quality. Humans, especially in small teams, can have varying response times and styles; AI delivers the same level of politeness and promptness every time. Many businesses utilized AI to draft responses to emails or social media comments, which employees could then quickly review and send, drastically cutting down response times. An illustrative case from an industry study is **Bouygues Telecom**, which used generative AI to assist call center agents with real-time suggestions, resulting in a **30% reduction in pre- and post-call processing time and projected savings of over \$5 million**. While Bouygues is a large company, the principle holds for small firms too: even if an AI saves a sole proprietor 2 hours a day in writing customer emails, that's significant. Indeed, according to Thryv's survey, **67% of SMB owners agreed that AI reduces pressure on them and their staff, and a majority said AI helps them do more with less reliance on adding employees**. We heard similar anecdotes from our clients – e.g., a local travel agency using an AI assistant to answer routine inquiries (like package pricing and availability) saw a reduction in phone calls, freeing the owner's time to focus on complex client itineraries and bookings that truly needed personal attention.


# AI in Customer Service

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**Multilingual and Scalable Support:** Another advantage AI brought is multilingual support. Small businesses with a global customer base or located in multilingual communities leveraged AI translation and natural language processing to communicate with customers in their preferred language. **dBotMinds, for instance, can converse in over 95 languages.** which meant a small Indian handicrafts seller using our chatbot could effortlessly engage both English-speaking customers and, say, Spanish or Arabic-speaking tourists interested in their products. This kind of capability was previously unimaginable for a business with fewer than 10 employees. Furthermore, AI support systems scale seamlessly – whether you have 10 inquiries a day or 1000, the AI can handle it (cloud resources can scale behind the scenes). This scalability protects small businesses during sudden spikes in customer interest (for example, a viral social media post leading to an influx of questions). Instead of being overwhelmed, the business can rely on the AI to capture leads or issues, and then follow up systematically.

**Integration with CRM and Service Workflows:** In 2024–25, we also saw tighter integration of AI customer service tools with CRM systems. When an AI chatbot interacts with a customer, the transcript and context can be fed into the CRM (like dRyZe) automatically, creating or updating a customer record. This ensures that if a human needs to step in later, they have the full history. Our platform's strength in this regard – the **seamless sync between dBotMinds and dRyZe CRM** – meant no customer inquiry fell through the cracks. An inquiry captured at midnight by the bot would be waiting in the CRM as a task the next morning, prioritized by AI lead score, for a staff member to address if not already resolved. In effect, AI became the reliable first-line support agent and triage nurse for our clients' customer service departments (even if that "department" is just one person wearing multiple hats).

To summarize, AI has ushered in a new era for customer service wherein small businesses can deliver responsive, high-quality support without a large team. The playing field with big companies has been evened out; customers can enjoy instant answers and personalized help whether they're dealing with a solo entrepreneur or a multinational. Calsoft's offerings in FY 2024–25 fully embraced this trend, providing our clients with the AI tools to delight customers and build loyalty. The strong correlation between AI use and positive growth expectations (recall that **74% of AI-using small businesses planned to grow in 2025 vs. 65% of non-users**<sup>8</sup>) is partially due to the improved customer satisfaction and retention that AI service delivers. We will continue to enhance our customer service AI capabilities, as we view customer experience as a cornerstone of small business success.

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# AI in CRM Systems and Sales Management

Customer Relationship Management (CRM) systems are vital for organizing contacts, tracking sales, and nurturing leads – tasks that are critical for growth but can overwhelm small businesses without the right tools. In 2024–25, AI became a transformative force within CRM systems, making them smarter and more effective. As a result, even microbusinesses began adopting CRM solutions in greater numbers, propelled by the promise of AI-driven sales acceleration.




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## AI in CRM Systems and Sales Management

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**Automated Lead Management and Scoring:** One of the most powerful AI contributions to CRM is **lead scoring and prioritization**. Modern CRMs use machine learning to evaluate leads based on dozens of data points – engagement level, demographic fit, website behavior, past purchase history, etc. – and assign a score indicating conversion likelihood. This allows a small business to focus its limited sales energy on the most promising prospects. **dRyZe CRM, for example, includes predictive lead scoring that tells the user which leads are “hot,” “warm,” or “cold” at a glance.** In 2024, these kinds of features were game-changers for small sales teams (or solo salespeople). Instead of manual guesswork or gut instinct, they had data-driven guidance. Surveys find that small businesses appreciate these capabilities; as noted earlier, about **50% of AI-adopting SMEs said AI gave them better data for decision-making in the business**, which includes decisions like whom to call first each morning. Our clients reported improved conversion rates after implementing dRyZe’s AI features – one user noted that by following the AI’s lead suggestions, they closed deals 30% faster because they were “finally chasing the right customers instead of throwing darts in the dark.”

**Sales Automation and Follow-ups:** AI in CRM also meant far more automation of routine tasks. **Email follow-up sequences, meeting scheduling, and even WhatsApp replies can be automated by AI, triggered at optimal times.** In a small business, where one person might be handling both sales and operations, such automation ensures leads don’t grow cold due to neglect. dRyZe CRM was built to address this common pain point: it can **automatically send personalized follow-up messages, schedule reminders for callbacks, and move deals along a visual pipeline with minimal manual input.** During 2024, we enhanced these capabilities by integrating generative AI to draft follow-up emails or SMS texts based on context (the user can review/edit if desired, then send). The impact is clear – it saves time and maintains consistency. A case in point: a freelance consultant using dRyZe set up AI-driven follow-ups for prospects after initial consultations; not only did this improve her client conversion, but it impressed the clients – they felt “nurtured” by timely, relevant check-ins even though she had no dedicated sales staff. This level of professionalism, enabled by AI, can significantly elevate a small firm’s image and client retention.

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# AI in CRM Systems and Sales Management

**Analytics and Insights for Sales Strategy:** Modern CRMs now come with AI analytics that can sift through customer data to provide actionable insights. Instead of merely tracking past activities, AI-enabled CRMs predict future outcomes and suggest strategies. For example, an AI might identify that customers of a certain profile are more likely to upgrade to a premium service and prompt the business owner to target them with an offer. Or it may flag that a certain product is frequently bought by a certain customer segment, suggesting a cross-sell opportunity. **Real-time analytics and reporting in dRyZe CRM give small businesses facts, not guesswork – for instance, identifying which marketing campaigns generated the highest ROI or where the sales funnel has bottlenecks.** By having such intelligence at their fingertips, small business owners can make data-backed decisions like a seasoned sales VP. According to industry data, over **50% of small businesses using AI noted it provided better data for decision-making and even unlocked new capabilities or revenue streams for them.** We observed scenarios where a business discovered through CRM analytics that a subset of their customers were interested in an add-on service – something they hadn't formally offered. They then introduced a new service line to meet that demand, directly boosting revenue. AI turned raw data into strategic insight, a pattern we expect to continue.

**Ease of Use and Adoption:** Historically, many small businesses avoided CRM systems due to complexity or cost. AI is helping reverse that trend by making CRMs more intuitive (through natural language queries, smart search, etc.) and by demonstrating clear ROI. Notably, the availability of affordable, AI-powered CRMs in 2024–25 has been a catalyst. When an entrepreneur can get started on a CRM for \$10 a month with minimal setup, and immediately benefit from features like an AI chatbot and mobile app integration, the value proposition becomes undeniable. The result has been a jump in CRM adoption at the micro-business level. We saw this in our user growth and the broader market sees it too. Industry voices often cite that **efficient customer management is a must for small businesses to thrive** – the challenges of missed leads and disorganized follow-ups are simply too costly in a competitive environment. AI-enhanced CRMs like dRyZe directly tackle those challenges, making modern sales practices attainable for all. As one small business owner put it in a testimonial, "this CRM is like having an extra employee who never sleeps, reminding me who to call and even helping me say the right things." That sentiment captures the essence of how AI in CRM systems has empowered small enterprises this past year.



# AI in CRM Systems and Sales Management

**A**In summary, AI has breathed new life into CRM systems, turning them into proactive allies in sales and customer management. Small and microbusinesses that adopted these tools in 2024–25 gained a competitive edge – they operated with the efficiency and insight of a much larger organization’s sales team. Calsoft’s strategic decision to develop and promote dRyZe CRM with strong AI capabilities has been validated by market response. Our focus going forward will be to further simplify adoption (e.g. via quick onboarding, migration tools) and to expand AI functionalities in areas like voice assistance and predictive churn analysis, ensuring our clients remain at the cutting edge of CRM technology.





# Calsoft's AI Platforms: Driving Growth and Innovation for SMEs

Calsoft's product suite in 2024–25 was deliberately crafted to put advanced technology into the hands of small and microbusiness owners. Here we provide an overview of our key platforms – **dSpeedUp**, **dRyZe CRM**, **Zaywoo**, and other solutions – and illustrate how each one contributes to the empowerment of our clients through AI. These platforms form an integrated ecosystem, but each addresses specific needs.

# dSpeedUp – AI-Powered Commerce Platform

dSpeedUp is Calsoft's flagship no-code e-commerce and retail management platform. It enables entrepreneurs **to launch an online store in minutes, with a guided drag-and-drop builder and a library of mobile-responsive templates.** In FY 2024–25, dSpeedUp was at the forefront of our efforts to help small retailers and businesses establish and grow their digital sales channels. The platform's value proposition is a comprehensive "business-in-a-box" solution – combining online storefront, point-of-sale (POS), inventory management, payments, logistics, and marketing tools – all enriched by AI to automate and optimize operations.

Key ways dSpeedUp empowered small businesses this year:

- **Rapid Deployment and Omnichannel Sales:** Through the "10-Minute Challenge" initiative, we demonstrated that anyone can set up a fully functional online store via dSpeedUp extremely fast. Users can easily list products, set prices, and start selling on multiple channels (web, mobile, social media marketplaces) without technical expertise. This speed and simplicity meant that many traditional brick-and-mortar small businesses, from boutique retailers to home-based artisans, ventured into e-commerce for the first time using dSpeedUp. They were able to **sell everywhere their customers are – in-store, online, on marketplaces – all synchronized to one dashboard.** This multichannel approach was crucial in 2024 when consumer shopping habits continued to shift fluidly between online and offline. For example, a small bakery could take local in-person orders with dSpeedUp's POS in the morning and sell gift baskets nationwide via its online store by afternoon, with inventory levels updating in real time across both.





# dSpeedUp – AI-Powered Commerce Platform

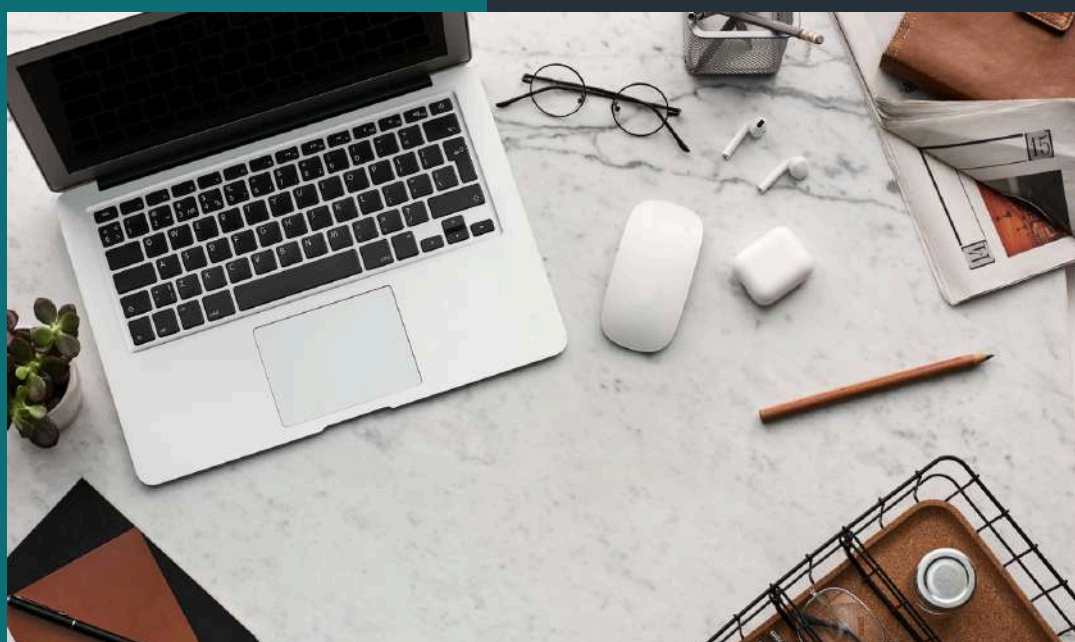
- AI-Driven Sales Optimization:** dSpeedUp stands out for seamlessly embedding AI into the commerce workflow. **It combines AI-driven tools with core commerce functions**, effectively giving merchants a smart assistant for their business. One highlight is the AI marketing automation: dSpeedUp can automatically send out promotional campaigns or retarget cart abandonments based on AI analysis of customer behavior. Additionally, **AI personalization is built-in – the platform uses algorithms to provide personalized product recommendations and offers to shoppers based on their browsing and purchase history**. This leads to a richer customer experience and higher conversion rates, as mentioned earlier. Another AI feature is the **sentiment analysis tool that scans customer reviews and chat logs to gauge satisfaction and flag potential issues**, enabling proactive customer service. By leveraging these AI capabilities, even merchants with no marketing staff can run sophisticated campaigns and engage customers effectively. Over the year, we observed dSpeedUp users benefiting through increased online sales and customer retention. Internally aggregated data (drawn from anonymized usage statistics) indicated that stores actively using the AI recommendation engine saw on average a mid-single-digit percentage uplift in average order value versus those who did not – a meaningful bump for small retailers.
- Integrated Ecosystem (SuperApp Philosophy):** dSpeedUp is designed as more than a storefront – it’s a **“retail powerhouse in one platform” integrating payments, inventory tracking, CRM, marketing, and analytics**. Our vision of the **dSpeedUp SuperApp** came to fruition this year, effectively allowing a small business owner to manage all aspects of commerce from a single application. For instance, through one interface they can reconcile yesterday’s shop sales (POS) with online orders, see a unified sales report, respond to customer inquiries (with help from dBotMinds AI), and arrange deliveries – all steps connected and automated where possible. The benefit is enormous time saving and elimination of human error from manual data transfers. One metric illustrating the platform’s reach is that over **100 applications and extensions are available within dSpeedUp** (including third-party logistics, accounting integrations, etc.), and the system generated **over 1 million reports to date, serving 10,000+ customers with a 95% retention rate**. These numbers reflect the trust and reliance that small businesses have placed in the platform. They also speak to the scalability and robustness of our solution, which we continuously improve.

In summary, dSpeedUp in FY 2024–25 was a cornerstone of Calsoft’s strategy to digitally empower small businesses. It lowered the barriers to entry for e-commerce and armed entrepreneurs with AI-enhanced tools typically available to much larger retailers. As a result, many of our clients not only survived but thrived in the competitive online marketplace. Calsoft will continue to invest in dSpeedUp’s capabilities – for example, exploring more AI for supply chain and merchandising optimization – to ensure it remains the go-to growth platform for small businesses aiming to expand their commerce footprint.

# dRyZe CRM – AI-Enabled Customer Relationship Management



dRyZe CRM is Calsoft's answer to the CRM needs of small and medium businesses – a platform combining robust customer management with sales automation, all delivered at an extremely accessible price. Launched and expanded during 2024–25, dRyZe embodies our philosophy that even the smallest business should have access to enterprise-grade CRM capabilities without prohibitive costs or complexity. Its core features include contact and pipeline management, communications logging, task automation, and analytics – with AI woven throughout to elevate each of those functions.





# dRyZe CRM – AI-Enabled Customer Relationship Management



## Key advantages and developments of dRyZe CRM this year:

- **Affordability and Accessibility:** At just \$10 per month for up to 5 users, dRyZe CRM “makes enterprise-level capabilities accessible to solopreneurs, startups, and home-based businesses, removing the price barrier that long prevented micro-businesses from using CRM tools”. This pricing strategy was a deliberate innovation in a market where major CRM providers often charge many times that amount per user. The impact was immediate – we saw strong adoption among segments like freelancers, consultants, and small retail/service businesses that previously managed customer interactions via spreadsheets or personal contacts. By dramatically lowering total cost of ownership, Calsoft has essentially opened the door for these businesses to organize and automate their sales processes professionally for the first time. The onboarding is self-service and quick; many users have reported getting started in minutes and seeing value within days. This frictionless uptake is crucial because it turns what could be a daunting process (CRM implementation) into a trivial task.
- **AI-Fueled Sales and Service Tools:** dRyZe’s slogan could well be “**Stop Chasing, Start Closing,**” reflecting how its AI features help businesses focus on winning deals rather than administrative busywork. As discussed, **predictive lead scoring** highlights the most sales-ready opportunities, while **workflow automations** handle routine follow-ups and data entry. The CRM’s built-in AI assistant can draft emails, set reminders based on customer engagement patterns, and even analyze which leads might be slipping through cracks (e.g., no contact in 30 days) so the user can take action. On the customer service side, integration with dBotMinds means any support chat can be captured and responded to from within the CRM console – giving a holistic view of the customer. **Real-time analytics dashboards** provide insights like sales funnel conversion rates, campaign performance, and team productivity. These were further enhanced this year with more visualization options and an AI “insights” mode that surfaces anomalies or trends automatically (e.g., notifying if a particular product is trending in won deals). By having an intelligent cockpit for all customer-related activities, small business users can make data-driven decisions. For instance, one user discovered through dRyZe’s analytics that a significant number of leads were stalling at the proposal stage; they adjusted their approach by using the CRM’s template library (with AI-polished proposal templates) and saw improvement in deal closures.
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# dRyZe CRM – AI-Enabled Customer Relationship Management

- Integration and Ecosystem Synergy:** dRyZe CRM was built to be the central hub of customer data for our clients, and it shines in integration with other systems. Naturally, it syncs seamlessly with **dSpeedUp (e-commerce data)** – so online orders or sign-ups flow into CRM contacts – and with **dBotMinds (chat interactions)**, but it also offers integrations for email (Gmail/Outlook), social media, and third-party apps via our API. This means a small business can use dRyZe as their single source of truth about customers, avoiding fragmented information. We also rolled out a **mobile app for dRyZe**, recognizing that small business owners are often on the move and need access on their phones to customer info and task updates. The mobile app supports voice notes and scanning business cards to create contacts, leveraging AI for transcription and data entry. The idea is to remove any barrier or excuse for not using the CRM – it’s as easy as talking to your phone. This year, we saw a marked increase in daily active usage of dRyZe, a positive indicator that our users are finding it an integral part of their routine rather than an obligation to update.
- Client Success and Case Studies:** The impact of dRyZe is perhaps best illustrated by client success stories. We’ve mentioned the Chennai boutique’s 60% sales growth from automated follow-ups[24]. Another case involves a small B2B services company that, before dRyZe, had no formal CRM. They adopted dRyZe to centralize their client communications which were previously scattered across emails and sticky notes. Within a quarter, they reported not only improved client responsiveness (no inquiry went unnoticed) but also a 15% increase in upsells to existing clients – an outcome they attribute to the CRM reminding them to periodically touch base and the AI suggesting which clients might be ripe for an additional service based on past interactions. These kinds of stories validate our belief that equipping a small business with the right tools can significantly amplify their performance.

In conclusion, dRyZe CRM is a cornerstone of Calsoft’s mission to democratize advanced business practices. In FY 2024–25, it gained traction as the **“best value CRM for global teams”**, proving that cost need not be a barrier to small businesses managing customer relationships like pros. Going forward, Calsoft intends to continue enriching dRyZe with even more AI (e.g., sentiment analysis of customer emails, predictive churn alerts) and ensuring it remains the most intuitive, no-code, yet powerful CRM option in the market. We believe a great CRM is like an extra team member for a small business – and through AI, potentially its smartest member – and we are committed to delivering that value.

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The background of the slide is a dark, moody photograph of coffee beans. A large, woven burlap sack is filled with dark, roasted coffee beans, spilling out onto a dark surface. The lighting is dramatic, highlighting the texture of the beans and the sack.

# ZAYWOO – EMERGING AI PLATFORM

**Zaywoo** is another platform in Calsoft's portfolio, reflective of our continuous innovation in AI solutions for businesses. Although still emerging and not as widely known as dSpeedUp or dRyZe, Zaywoo represents Calsoft's experimental edge – it is conceived as an AI-driven platform aimed at **augmenting small business capabilities in areas not covered by our core products**. We soft-launched initiatives under the Zaywoo umbrella during FY 2024–25, focusing on exploring new use cases of AI for microenterprises.

Note: Since Zaywoo is in its early stages, we will outline its vision and pilot activities rather than established impacts.

The vision for Zaywoo is to function as an **AI-powered digital assistant and insights generator** for small businesses. If dBotMinds is an AI agent facing the customers, Zaywoo is imagined as an AI agent facing the business owner – a kind of smart advisor that can help with strategy, decision support, and perhaps even creative brainstorming.

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# Zaywoo – Emerging AI Platform



In 2024, we began piloting some features under this concept:

- **AI Business Coach:** A chatbot-style interface where entrepreneurs can ask questions and get advice. For example, a user could ask, "How can I improve my cafe's foot traffic during weekdays?" and Zaywoo's AI (drawing from a knowledge base of business best practices and local data) would offer suggestions like running a promotion or partnering with nearby offices. This leverages generative AI as well as domain-specific training. In pilot testing, we found that new business owners particularly appreciated having a sounding board for ideas at any time. We are cautious to validate the advice with human experts, as responsible AI practice dictates.
- **Market Trends and Analytics:** Zaywoo also has an initiative to provide **customized market research insights to microbusiness owners.** Using AI to sift through vast amounts of public data (news, social media, industry reports), it could alert a small business to relevant trends. For instance, a boutique could be notified if "vintage denim" is spiking in online discussions or if a new competitor opened in town. Early prototypes of this trend engine were developed, and we plan to integrate them perhaps into dSpeedUp or as a standalone app. This aligns with our theme of digital equity: giving the smallest players some of the market intelligence that big companies pay research firms for.
- **Automation of Business Admin:** Another aspect is automating tedious administrative tasks via AI. Zaywoo experiments have included automatically preparing basic financial summaries, scheduling social media posts at optimal times, and even helping draft HR policies or job descriptions for businesses that don't have dedicated HR. Essentially, we are exploring if AI can wear multiple "hats" in a small company – acting as a junior accountant, a marketing assistant, an HR coordinator – all through one interface. This ambitious goal will take time to fully realize, but our R&D in 2024–25 made progress, for example by integrating a language model with templates for common small business documents and connecting with scheduling APIs.

While still in a nascent phase, Zaywoo reflects Calsoft's future-facing approach. We want to stay ahead of the curve in providing what small businesses might need next. The name "Zaywoo" may become more familiar in coming years as we refine these offerings. For now, it is a testament to Calsoft's innovative culture that we dedicate resources to such forward-looking projects – ensuring that when the next wave of AI technology (be it more advanced generative AI, or new forms of human-AI interaction) arrives, Calsoft and its clients will be ready to capitalize on it.





# Other Integrated Solutions

Beyond the major platforms above, Calsoft's ecosystem includes additional products and services that complement our mission of empowering businesses:

- **dBotMinds:** We have discussed dBotMinds in context – our AI sales and support chatbot that integrates with dRyZe CRM and websites. It's effectively an AI employee that small businesses can deploy instantly. Its support for **95+ languages and omni-channel presence (web chat, WhatsApp, Facebook Messenger, etc.)** has been instrumental for clients expanding to new markets[8]. In 2024–25, we expanded dBotMinds' capabilities to handle more transactional intents (like booking appointments or processing simple orders) to drive even more value.
- **dInspira PoS:** This is our AI-enabled Point-of-Sale system tailored to small and mid-size retailers and restaurants. It manages transactions and inventory in physical stores and is part of the dSpeedUp suite. The PoS collects rich data on sales which feeds into our AI analytics. For instance, dInspira can highlight slow-moving products or peak sales hours. It also supports integration with IoT devices (like smart card readers or barcode scanners) for efficiency. Many of our retail clients use dInspira PoS in-store and dSpeedUp online, getting a unified view of their business.
- **dUltimaX SuperApp:** The concept of a "SuperApp" that bundles multiple services (à la WeChat, etc.) is something we adapted for business use. dUltimaX is a platform where a business can have a single app for customers that offers e-commerce, loyalty, messaging, and more. From our perspective, dUltimaX encapsulates the integration of many Calsoft technologies – e-commerce, CRM, chat, payments – into a user-facing mobile app that a small business can brand as their own. It leverages our entire backend. This year, we had a few early adopters (for example, a chain of boutique grocery stores launched their customer app on dUltimaX). **The super-app leverages AI for personalization and engagement, recommending services based on user behavior and ensuring seamless connectivity of features.** While a bit more advanced and suited to slightly larger small businesses or franchises, this solution points the way to how smaller companies can offer "big company" digital experiences through our technology.



## Other Integrated Solutions

**Consulting and Custom Solutions:** Calsoft also continued to offer custom software development, AI integration consulting, and other professional services, especially for clients who might start with our product and then have unique needs as they grow. For instance, we helped some clients build custom dashboards or integrate Calsoft platforms with their legacy systems. Our consulting expertise in AI, cloud, and blockchain remains a value-add that differentiates us from purely product companies. It ensures that as a client grows (perhaps from a micro-business to an SME), we can grow with them by tailoring solutions beyond the out-of-the-box offerings.

Collectively, Calsoft's products and services form a holistic ecosystem aimed at covering the key operational pillars of a modern small business – from sales and marketing to operations and finance – underpinned by AI and cloud technologies. The integration across these offerings is a strategic strength; it means clients don't have to patch together solutions from different vendors and worry about compatibility or data silos. We often communicate to clients that **Calsoft can be their one-stop partner for digital transformation**, and our breadth of platforms supports that claim.

Throughout 2024–25, we maintained a high pace of innovation and cross-functional development to enhance this ecosystem. We are proud that our platforms like dSpeedUp and dRyZe not only individually excel but also interlock to deliver compounded value. This was evidenced by an increasing number of customers using multiple Calsoft products in tandem (for example, many dSpeedUp users adopted dRyZe CRM when they realized the benefits of integration, and vice versa). We anticipate this trend to continue, as each satisfied customer is likely to explore more of our ecosystem once they experience the empowerment it brings.





# Responsible AI, Sustainability, and Digital Equity

Calsoft's commitment to empowering businesses through AI goes hand-in-hand with a commitment to do so responsibly and sustainably. We recognize that as we push the envelope of innovation, we must also address the broader ethical, social, and environmental implications. In FY 2024–25, we integrated principles of Responsible AI, sustainability, and digital equity into our strategy and operations, ensuring that our growth and our clients' growth contribute positively to society.

**Responsible AI Practices:** We define responsible AI as developing and deploying artificial intelligence in a manner that is ethical, transparent, secure, and respects user privacy. Calsoft established an internal AI Ethics Committee this year to review our AI features and uses. We adhered to guidelines to avoid bias in our algorithms – for example, ensuring our lead scoring AI in dRyZe does not inadvertently discriminate or exclude prospects on inappropriate grounds, and that it bases decisions purely on relevant behavioral data. We also implemented robust data privacy measures: all our AI systems that handle customer data do so in compliance with regulations like GDPR, and we provide clear disclosures in our software about AI functions (so users know, for instance, if an AI chatbot is interacting with them versus a human). **All transmissions and communications in our platforms occur in a fully secure, encrypted environment**, safeguarding sensitive business and customer data. This level of security was highlighted in our marketing as well, because we found that small businesses care deeply about not compromising customer trust when using new tech. Additionally, we invest in user education about AI – making sure our clients understand what the AI features do and advising on best practices (for instance, to always have human oversight on critical decisions, aligning with the principle that human judgment should validate AI outputs. Calsoft also kept an eye on emerging AI regulations; our leadership and legal teams proactively adjusted our data policies so that we remain ahead of compliance requirements. By embedding responsibility into AI development, we aim to build long-term trust with our users. This approach resonates with the recommendations of industry experts like EY, which noted that successful AI adoption requires **"robust risk assessment, clear frameworks for human oversight, and strong stakeholder trust-building"** – exactly the capabilities we have been nurturing internally.

# Responsible AI, Sustainability, and Digital Equity

**Sustainability Initiatives:** Sustainability for Calsoft operates on two levels – internal corporate sustainability and enabling sustainability through our products. Internally, we took steps to reduce our carbon footprint: optimizing our cloud infrastructure usage (efficient coding and scaling down idle resources) and utilizing renewable energy credits for our data center operations. Externally, as detailed earlier, our products help clients reduce waste and resource use (for example, supply chain AI reducing overstock and optimizing delivery routes cuts down material waste and fuel consumption). We have also encouraged digital and paperless processes among our client base as an eco-friendly practice, which our software inherently supports. On the social side of sustainability, Calsoft continued community engagements: we gave employees paid time for volunteer work and supported non-profits. The 2024 Benefit Corporation Report for Calsoft Systems notes that “Calsoft dedicated 170 paid hours to volunteer activities, including grants to micro-businesses and community projects. While that report pertains to our US entity and broader corporate group, it reflects the values across the organization. Specifically relating to empowering small businesses, Calsoft has since 2016 sponsored software worth more than \$100,000 to micro-businesses (often in developing regions or crisis recovery) to foster sustainable livelihoods. This year we also aligned some of our goals with the UN Sustainable Development Goals (like SDG #8 – Decent Work & Economic Growth, and SDG #9 – Industry, Innovation & Infrastructure), reaffirming that by helping small businesses thrive, we contribute to inclusive and sustainable economic growth.

**Digital Equity and Inclusion:** Perhaps the most defining theme of our mission is digital equity – ensuring that the benefits of AI and digital transformation are accessible to all enterprises, not just the privileged few. Everything from our product design to pricing to support model is geared towards inclusion. We have a keen awareness that many small businesses, especially those led by underrepresented groups or operating in less developed markets, have historically been left behind in tech adoption. Calsoft sees itself as an enabler to close that gap. Our decision to make tools affordable (e.g., dRyZe CRM’s \$10/month plan, dSpeedUp’s flat low fees with no transaction cuts directly addresses the financial barrier. Our emphasis on no-code, user-friendly interfaces addresses the skills barrier. Furthermore, we provide educational content – webinars, how-to guides, and one-on-one coaching for new users – to address the knowledge barrier. In 2024, we organized seminars and published guides specifically aimed at traditional businesses transitioning online, such as “AI for Local Businesses 101,” which were well received. The Benefit Corporation report also highlights that “Calsoft educates business owners and affiliates on future technology & leadership, providing seminars with 100+ attendees on AI and cutting-edge IT”. This reflects our belief that empowerment comes not just from software, but also from building confidence and understanding in our users.



# Responsible AI, Sustainability, and Digital Equity



Calsoft’s commitment to accessibility extends to the design of our software – we strive to adhere to accessibility standards so that our platforms are usable by people with disabilities (for example, ensuring our UIs are compatible with screen readers and that AI features like chatbots can be navigated via text or voice for those who need it). This often gets overlooked, but we treat it as an important aspect of inclusion.

In summary, during FY 2024–25 Calsoft made concerted efforts to ensure that our AI-driven push was accompanied by ethics, responsibility, and care for the community and environment. These efforts are not just corporate social responsibility (CSR) add-ons; they are integral to our business strategy. We firmly believe that **empowering small businesses through AI should contribute to reducing inequalities, not widening them**. By making advanced tech affordable, secure, and understandable, and by supporting those who need a leg up, Calsoft fosters a more equitable digital economy. We have been recognized for this approach through feedback from clients who say they felt we truly partnered in their success, and through our certification as a Benefit Corporation and initiatives aligned with public benefit purposes. Going forward, we will maintain these principles, ensuring that growth for Calsoft and its clients is achieved in a way that we can all be proud of.

## This is where the 3R's come in



### Reduce

Try adapting to methods and materials that have multipurpose services



### Reuse

Found a charger that can be fixed and used again?  
Don't throw it away!



### Recycle

Buy products in glass jars, cans and turn them into something useful



# Conclusion and Future Outlook



FY 2024–25 was a landmark year for Calsoft, characterized by the successful execution of our strategy to empower small and microbusinesses through AI innovation. We aligned our offerings closely with market needs, launching and refining platforms that enable our clients to operate with agility and intelligence previously beyond their reach. The theme of **"Empowering Small and Microbusinesses Through AI"** was not just a slogan for our AGM – it was manifest in our day-to-day operations, client stories, and the overall direction of the company.

**Strong Foundation and Competitive Position:** As we conclude this annual review, Calsoft stands on a strong foundation. Our core platforms – dSpeedUp, dRyZe CRM, and others – have gained market traction and a reputation for delivering tangible value. Client adoption metrics and retention rates are robust, indicating satisfaction and loyalty. We have effectively differentiated ourselves by providing a holistic ecosystem for small businesses, whereas many competitors offer point solutions. This synergy is a competitive advantage that we will continue to leverage. Moreover, by embedding AI deeply into our products, we have positioned Calsoft not just as a software provider, but as an innovation partner for SMEs aiming to become "smart businesses."

**Financial and Operational Resilience:** Although this report has focused on qualitative and strategic aspects, it is important to note that Calsoft's financial performance in FY 2024–25 reflected the success of these initiatives (detailed in the financial statements section of the Annual Report). We achieved healthy revenue growth, partly driven by subscription uptake, while keeping our cost of service delivery efficient through cloud optimization and AI automation within our own operations. In effect, we used the same technologies we advocate – for instance, automating internal workflows with AI – to manage our growing customer base without commensurate increases in overhead. This operational efficiency is crucial for our scalability as we anticipate onboarding many more small businesses in the coming years.



# Conclusion and Future Outlook

**Innovation Trajectory:** Looking ahead, Calsoft is dedicated to staying at the forefront of technological advancements that benefit our clients. The AI landscape continues to evolve rapidly – with developments in areas like generative AI, edge AI for IoT devices, and more human-like conversational agents. Our R&D teams (including projects like Zaywoo) are actively exploring these avenues. We foresee integrating more generative AI capabilities into our platforms, following responsible AI guidelines, to further reduce manual work (imagine automatically generated marketing visuals for an e-commerce promotion, or an AI that can draft a complete business plan outline for an entrepreneur – these are not far-fetched ideas). Additionally, we plan to expand our global reach, entering new markets where small businesses are hungry for digital tools. Each market may have unique needs (for example, localization for language and compliance), and Calsoft is preparing to meet them, building on the multilingual and modular architecture we have.

**Commitment to Clients and Stakeholders:** Calsoft's future-focused tone remains optimistic and firmly client-centric. We measure our success by the success of the businesses we serve. Thus, we will continue investing in customer support, training, and community-building among our user base (through forums, events, and networks where our clients can learn from each other). We are also mindful of stakeholder expectations beyond customers – including investors, employees, and community partners. We will uphold the principles of responsible growth, ensuring that as we scale, we maintain the quality of our products, the ethics of our practices, and the positive impact on society.

In closing, the Board and management of Calsoft are confident that the strategic direction taken in 2024–25 has positioned the company for sustained future success. We have empowered thousands of small and microbusinesses in the past year, and in doing so, we have strengthened our brand and market position. As we venture into FY 2025–26, we carry forward the momentum of this year's achievements and the lessons learned. Calsoft will remain agile, innovative, and dedicated to our mission. We envision a future where **anyone with an entrepreneurial dream can leverage AI and digital platforms to build and grow their business** – and we are excited to continue making that future a reality, one small business at a time.

**Acknowledgments:** We would like to thank our shareholders for their trust, our employees for their passion and hard work (they are the architects of the empowering solutions we offer), and our clients for their partnership and feedback which continuously inspire us to improve. Together, we are proving that technology can be a great equalizer in business. We look forward to reporting on our progress and new milestones in the coming year, as Calsoft continues to innovate with purpose and drive inclusive growth in the digital economy.



# DIRECTORS REPORT





# DIRECTOR’S REPORT

For the Financial Year ended 31st March, 2025

To  
The Members,

The Directors are pleased to present the 33rd Annual Report of your Company together with the audited financial statements for the financial year ended 31st March, 2025.

## 1. Financial Results

The financial results of the Company for the year ended 31st March, 2025 are summarized below:

(All figures in ₹ lakhs, except EPS)

Particulars	Standalone FY 2024–25	Standalone FY 2023–24	Consolidated FY 2024–25	Consolidated FY 2023–24
Total Revenues	544.63	428.03	544.63	428.03
Total Expenses	444.80	343.11	444.80	343.11
Profit before exceptional & extraordinary items	99.83	84.92	99.83	84.92
Exceptional Items	–	–	–	–
Profit before extraordinary items & tax	99.83	84.92	99.83	84.92
Profit before Tax	99.83	84.92	99.83	84.92
Current Tax	29.67	25.85	29.67	25.85
Deferred Tax	(1.78)	(3.28)	(1.78)	(3.28)
Profit for the year	71.93	62.35	71.93	62.35
Minority Interest	–	–	–	–
Paid-up Equity Capital	618.28	154.57	618.28	154.57
EPS (₹) – Basic	0.12	0.40	0.12	0.40
EPS (₹) – Diluted	0.12	0.40	0.12	0.40

## 2. Company Performance and Results of Operations

### 2.1 Standalone

During the year, your Company earned total revenue of ₹544.63 lakhs. Profit before tax stood at ₹99.83 lakhs, and profit for the year after tax provisions and adjustments was ₹71.93 lakhs.

### 2.2 Consolidated

On a consolidated basis (including subsidiary), your Company recorded total revenue of ₹544.63 lakhs and profit before tax of ₹99.83 lakhs.

### 3. Dividend

The Board of Directors, after reviewing the financial performance and future growth requirements of the Company, has decided to retain the entire profits earned during the financial year 2024–25 in the Profit and Loss Account. Accordingly, no dividend is recommended or declared for the financial year under review.

### 4. Share Capital

As on **March 31, 2025**, the **Share Capital of the Company** stood at **₹27,04,99,355**, comprising the following:

Particulars	No. of Shares	Face Value (₹)	Amount (₹)
Equity Shares – Fully Paid	1,54,57,106	10 each	15,45,71,060
Equity Shares – Partly Paid (Rights Issue)	4,63,71,318	2.50 each (Partly Paid)	11,59,28,295
Optionally Convertible Redeemable Preference Shares (OCRPS)	4,18,700	10 each	41,87,000
Total	–	–	27,04,99,355

### 5. 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.

### 6. Subsidiary Company and Consolidated Financial Statements

The Consolidated Financial Statements of the Company and its subsidiary have been prepared in accordance with the **Indian Accounting Standards (IND AS)** notified under the Companies (Indian Accounting Standards) Rules, 2015. These statements form part of this Annual Report.

Pursuant to **Section 134 of the Companies Act, 2013** read with **Rule 8(1) of the Companies (Accounts) Rules, 2014**, the financial position and performance of the subsidiary are disclosed in the Consolidated Financial Statements.

As on **31st March, 2025**, the Company has one subsidiary, **Aspire Communications Private Limited**. There has been **no material change** in the nature of the business of the subsidiary during the year. The Consolidated Financial Statements have been prepared in accordance with the applicable accounting standards.

A separate statement containing the **salient features** of the financial statements of the subsidiary and associates, in **Form AOC-1**, is attached as **Annexure I**, along with other financial information of the Company.

### 7. Deposits

The Company has **not accepted any deposits** under Chapter V of the Companies Act, 2013. No principal or interest was outstanding as at the balance sheet date.

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

Pursuant to the provisions of **Section 134(3)(g)** of the Companies Act, 2013, the particulars of loans given, guarantees provided, and investments made by the Company under **Section 186** of the Act are disclosed in the **Notes to Accounts** forming part of the financial statements.



## 9. Related Party Transactions (RPTs)

There were no material RPTs during FY 2024–25, except a loan taken from **Dr. Vasudevan Mahalingam (Managing Director and Promoter)** to fund day-to-day operations. Disclosures are provided in the **Notes to Accounts** and particulars under Section 188(1) in **Form AOC-2** attached as **Annexure II**.

## 10. Changes in the Board of Directors

Subsequent to the end of the financial year, the following change took place in the composition of the Board of Directors:

- Mr. Ashok Godavarthi (DIN: 08389864) tendered his resignation as Independent Director, effective May 29, 2025. The Board placed on record its appreciation for the valuable guidance and contributions made by Mr. Godavarthi during his tenure as a Director of the Company.

## 11. Declaration by Independent Directors

Independent Directors have submitted declarations under **Section 149(6)** of the Companies Act, 2013 and **SEBI (LODR) Regulations, 2015**, confirming that they meet the criteria of independence and have complied with the **Code for Independent Directors** (Schedule IV of the Act).

## 12. Governance Guidelines

The Board has adopted **Governance Guidelines on Board Effectiveness** covering Board composition, roles, independence, tenure, diversity, nomination, induction, evaluation, remuneration, subsidiary oversight, Code of Conduct, and committee mandates.

## 13. Nomination & Appointment of Directors

The **Nomination and Remuneration Committee (NRC)** is responsible for defining the competency requirements for the Board, taking into account the Company’s industry, strategy, and long-term objectives.

The NRC undertakes a **comprehensive Board composition analysis**, reflecting an understanding of the Company’s design, operating environment, financial condition, and compliance requirements. The Committee also conducts periodic **gap analyses** to identify areas where additional expertise or diversity is required, including at the time of each appointment or re-appointment of Directors.

In fulfilling its role, the NRC reviews the **profiles of potential candidates** against the identified competency needs and engages with them before making its recommendations to the Board. At the time of appointment, the Committee communicates to the appointee the **specific requirements of the role**, including the level of expertise and knowledge expected.

## 14. Qualification, Positive Attributes & Independence Criteria

The **Nomination and Remuneration Committee (NRC)** has formulated the criteria for determining the qualifications, positive attributes, and independence of Directors in accordance with the provisions of **Section 178(3)** of the Companies Act, 2013 and **Regulation 19** read with **Part D of Schedule II** of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**Independence**

In accordance with the above criteria, a Director will be considered an **Independent Director** if they satisfy the requirements specified under the Act, the rules framed thereunder, and **Regulation 16(1)(b)** of the SEBI Listing Regulations.

**Qualifications**

The Company follows a **transparent Board nomination process** that promotes diversity of thought, experience, knowledge, perspective, age, and gender. The Board aims to maintain an appropriate mix of functional expertise and industry knowledge. While recommending an appointment, the NRC evaluates how the candidate’s functional and domain expertise will complement the overall skill set of the Board.

**Positive Attributes**

Beyond the statutory duties under the Act, the Directors are expected to demonstrate **high standards of ethical conduct**, strong interpersonal and communication skills, and sound judgment. Independent Directors are also required to adhere to the **Code for Independent Directors** as prescribed under **Schedule IV** of the Act.

**15. Corporate Social Responsibility (CSR)**

The Company **does not meet** the threshold limits under **Section 135** of the Act; accordingly, CSR provisions are **not applicable** for FY 2024–25.

**16. Annual Evaluation of the Board, Committees and Directors**

In compliance with the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board carried out an **annual evaluation** of its own performance, that of its Directors, and the working of its Committees.

**Role of the Nomination and Remuneration Committee (NRC)**

The NRC defined the **evaluation criteria, procedure, and schedule** for the performance evaluation process covering the Board, its Committees, and individual Directors.

**Evaluation by the Board**

- The Board evaluated its **overall performance** and the performance of individual Directors after obtaining feedback from all Directors.
- The performance of Committees was also assessed based on inputs from Committee Members.
- Criteria for evaluation included:
  - Board composition and structure,
  - Effectiveness of Board processes,
  - Contribution to long-term strategic planning,
  - Adequacy and quality of information provided, and
  - Committee structure, composition, and effectiveness of meetings.

The evaluation process was aligned with the **SEBI Guidance Note on Board Evaluation**.

**Evaluation by Independent Directors**

At a separate meeting, the Independent Directors:

- Evaluated the performance of **Non-Independent Directors** and the Board as a whole.



- Reviewed the performance of the **Chairman**, taking into account the views of both Executive and Non-Executive Directors.


### Review by NRC and the Board

The NRC reviewed the evaluation results and shared its findings with the Board. The Board discussed the feedback received from Directors on its performance, as well as that of its Committees and individual Directors, at a subsequent meeting.

## 17. Familiarisation Programme for Independent Directors

The Company has put in place a structured programme to familiarise its Directors, particularly **Independent Directors**, with the Company's business model, operations, policies, and regulatory environment.

- **Information Support:** Directors are provided with necessary documents, reports, and internal policies to enable them to understand the Company's procedures and practices.
- **Presentations:** Periodic presentations are made at Board and Committee meetings covering business updates, financial performance, the global business environment, strategic initiatives, and risk management.
- **Regulatory Updates:** Directors receive quarterly updates on significant statutory and regulatory changes impacting the Company.
- **Induction:** Upon appointment, each Director is issued a **Letter of Appointment** outlining in detail their roles, responsibilities, fiduciary duties, and terms of engagement.

The details of the familiarisation programme for Independent Directors are available on the Company's website at:  <https://www.calsofts.com/investors>

## 18. Skills, Expertise and Competencies of the Board

Based on NRC recommendations, the Board has identified core skills/competencies required for effective functioning, including industry knowledge, strategy, finance, risk, governance, technology, and compliance.

## 19. Number of Board Meetings

**Seven (7)** Board meetings were held during the year. The intervening gap was within the limits prescribed by the Act. Details appear in the **Corporate Governance Report**.

## 20. Board Committees

The primary Committees of the Board are the **Audit Committee**, the **Nomination and Remuneration Committee**, and the **Stakeholders Relationship Committee**. Since the Company does not fall under the **Top 500 listed entities** by market capitalisation, constitution of a Risk Management Committee is **not mandatory**.

### 20.1. Audit Committee

In compliance with **SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015** and **Section 177(8)** of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014, the Company has constituted a qualified and independent Audit Committee.

- **Composition (as on 31st March 2025):** The Audit Committee consists of **four Non-Executive & Independent Directors**, all of whom possess adequate financial and accounting expertise.
- **Meetings:** During FY 2024–25, the Committee met on **30th May 2024, 14th August 2024, 25th October 2024, and 14th February 2025**.

- **Functions:** The composition, powers, roles/functions, and terms of reference of the Audit Committee are set out in the **Corporate Governance Report**, forming part of this Annual Report.
- **Observations:** All recommendations of the Audit Committee during the year were duly considered and accepted by the Board. There were **no instances of non-acceptance**.

## 20.2. Nomination and Remuneration Committee (NRC)

As on 31st March 2025, the NRC comprised **five Non-Executive Independent Directors**.

- **Chairperson:** Mrs. A.V.N. Srimathi, Independent Director.
- **Meetings:** The Committee met **four times** during the year on 30th May 2024, 14th August 2024, 25th October 2024, and 14th February 2025.
- **Role:** The NRC is responsible for formulating criteria for appointment, remuneration, evaluation, and succession planning for Directors and Key Managerial Personnel.

## 20.3. Stakeholders Relationship Committee (SRC)

The Company has constituted a **Stakeholders Relationship Committee** (formerly known as the Shareholders'/Investors' Grievance Committee) to look into the redressal of shareholder and investor grievances, including transfer or credit of shares, non-receipt of dividend, notices, annual reports, etc.

- **Composition (as on 31st March 2025):** Four members — **three Independent Directors** and **one Non-Executive Director**.
- **Chairperson:** Mrs. A.V.N. Srimathi, Independent Director.
- **Meetings:** The Committee met **three times** during the year on 06<sup>th</sup> May 2024, 30th May 2024, and 14th February 2025.

# 21. Policies Developed by the Company

## 21.1 Nomination & Remuneration Policy

The Policy (covering criteria for Directors/KMP/Senior Management) is available at [www.calsofts.com](http://www.calsofts.com). Extracts are attached as **Annexure III**. The Board affirms remuneration paid in FY 2024–25 was **as per policy**.

## 21.2 Whistle Blower Policy (Vigil Mechanism)

A vigil mechanism under **Section 177(9)** and SEBI (LODR) enables reporting of genuine concerns. The Audit Committee oversees the mechanism. **No person was denied direct access** to the Audit Committee Chair. Policy available at [www.calsofts.com](http://www.calsofts.com).

## 21.3 Board Diversity Policy

The Company recognises the value of a diverse Board and aims for an optimal mix of skills, experience, knowledge, and gender. The Board includes **at least one woman Director** and appointments are **merit-based**.

# 22. Compliance with Secretarial Standards

The Company has complied with SS-1 (Board Meetings) and SS-2 (General Meetings) issued by the ICSI.



## 23. Auditors

### 23.1 Statutory Auditors

The Statutory Auditors have confirmed they are **not disqualified**. Notes to Accounts referred to in their report are self-explanatory.



**calsoft**

Realize Your Ideas

### California Software Company Limited

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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, 2025 [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	544.64	Not applicable since impact is not ascertainable
	2.	Total Expenditure	444.80	
	3.	Net Profit/(Loss)	71.94	
	4.	Earnings Per Share	0.12	
	5.	Total Assets	3049.43	
	6.	Total Liabilities	286.07	
	7.	Net Worth	2763.35	
	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. 1,840.11 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		

	<b>C. Frequency of qualification:</b>	Reoccurs
	<b>D. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views</b>	Not applicable
	<b>E. For Audit Qualification(s) where the impact is not quantified by the auditor:</b>  (i) <b>Management's estimation on the impact of audit qualification.</b>	Not Ascertainable
	(ii) <b>If management is unable to estimate the impact, reasons for the same:</b>	<p><b>Managements View:</b></p> <p>a) <b>On audit qualification 2(A)(i) of the statement:</b></p> <p>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.</p> <p>b) <b>On audit qualification 2(A)(ii) of the statement:</b></p> <p>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.</p> <p>c) <b>On audit qualification 2(A)(iii) of the statement:</b></p> <p>For the above referred observation of the Auditor, Balances appearing in 'Trade receivables' amounting to Rs. 1,840.11 Lakhs, under Current Financial Assets in the Standalone Financial Results are subject to reconciliation</p>



# California Software Company Limited

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Email: [investor@calsoftgroup.com](mailto:investor@calsoftgroup.com) [www.calsoftgroup.com](http://www.calsoftgroup.com) [www.calsoft.com](http://www.calsoft.com)

		and confirmation from the customers. The major revenue of the company is from the digital marketing and the realization of the trade receivables started happening. Necessary provisions will be made.
	(iii) Auditors' comments on (i) or (ii) above:	No comments further to the "Details of Audit Qualification"
III.	<b><u>Signatories:</u></b>	
	• 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, 2025

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

<b>Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2025 [See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]</b>				
<b>I.</b>	<b>S.No.</b>	<b>Particulars</b>	<b>Audited Figures (as reported before adjusting for qualifications) (Rs.in Lakhs)</b>	<b>Adjusted Figures (audited figures after adjusting for qualifications) (Rs.in Lakhs)</b>
	1.	Turnover / Total income	544.64	Not applicable since impact is not ascertainable
	2.	Total Expenditure	444.80	
	3.	Net Profit/(Loss)	71.94	
	4.	Earnings Per Share	0.12	
	5.	Total Assets	2739.16	
	6.	Total Liabilities	286.07	
	7.	Net Worth	2453.08	
	8.	Any other financial item(s) (as felt appropriate by the management)	Nil	Nil
<b>II.</b>	<b>Audit Qualification (each audit qualification separately):</b>			
	<b>A. Details of Audit Qualification:</b>	<p>(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.</p> <p>(ii) Balances appearing in 'Trade receivables' amounting to Rs. 1,840.11 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.</p>		
	<b>B. Type of Audit Qualification:</b>	Qualified Opinion		
	<b>C. Frequency of qualification:</b>	Reoccurs		
	<b>D. For Audit Qualification(s) where the impact is quantified</b>	Not applicable		



	by the auditor, Management's Views	
	<p><b>E. For Audit Qualification(s) where the impact is not quantified by the auditor:</b></p> <p>(i) Management's estimation on the impact of audit qualification.</p>	Not Ascertainable
	<p>(ii) If management is unable to estimate the impact, reasons for the same:</p>	<p><b>Managements View:</b></p> <p>a) <b>On audit qualification 2(A)(i) of the statement:</b></p> <p>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 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.</p> <p>b) <b>On audit qualification 2(A)(ii) of the statement:</b></p> <p>For the above referred observation of the Auditor, Balances appearing in 'Trade receivables' amounting to Rs. 1840.11 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 started happening. Necessary provisions will be made.</p>
	<p>(iii) Auditors' comments on (i) or (ii) above:</p>	No comments further to the "Details of Audit Qualification"
III.	<b>Signatories:</b>	

# California Software Company Limited

CIN: L72300TN1992PLC022135  
 Registered Office: Workflo, Greeto Towers, Industrial Estate, Perungudi,  
 OMR Phase 1, Chennai 600096  
 Phone +91 94448 60882  
 Email: [investor@calsoftgroup.com](mailto:investor@calsoftgroup.com) [www.calsoftgroup.com](http://www.calsoftgroup.com) [www.calsoft.com](http://www.calsoft.com)

	<ul style="list-style-type: none"> <li>• <b>CEO/Managing Director</b></li> </ul>	<b>For CALIFORNIA SOFTWARE COMPANY LIMITED</b>  <b>Dr. Mahalingam Vasudevan</b>
	<ul style="list-style-type: none"> <li>• <b>CFO</b></li> </ul>	<b>For CALIFORNIA SOFTWARE COMPANY LIMITED</b>  <b>Ms. Manimala</b>
	<ul style="list-style-type: none"> <li>• <b>Audit Committee Chairman</b></li> </ul>	<b>For CALIFORNIA SOFTWARE COMPANY LIMITED</b>  <b>A.V.N. Srimathi</b>
	<ul style="list-style-type: none"> <li>• <b>Statutory Auditor</b></li> </ul>	<b>For K. GOPAL RAO &amp; CO.,</b> Chartered Accountants ICAI Firm registration no. 000656S  <b>Madan Gopal Narayanan</b> Partner Membership no. 211784

Place: Chennai  
 Date: May 30, 2025



## 23.2 Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. S. Dhanapal, Senior Partner, M/s. S. Dhanapal & Associates LLP, a firm of Practicing Company Secretaries to undertake the Secretarial Audit of the Company. Pursuant to Regulation 24A (1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, M/s. S. Dhanapal & Associates LLP, a firm of Practicing Company Secretaries is proposed to be appointed as Secretarial Auditors for first term of Five consecutive years from FY 2025-26 to FY 2029-30 subject to the approval of Shareholders in the ensuing Annual General Meeting.

The Secretarial Auditor has qualified the report with respect to delay in filing forms and clerical errors made in the quarterly filing by the company, delay in crediting the rights issue shares to the company. The company has replied to the exchanges with respect to clerical errors which are yet to be taken on record by the exchange. The company The Board is taking steps to comply with the requirements which have arisen due to technical difficulties/ inadvertence. The company has paid penalties with regard to delay in crediting of shares on issue of shares to rights basis

**Cost Audit:** *Not applicable.*

## 24. Particulars of Employees and Remuneration (Section 197; Rule 5)

Disclosures under Rule 5(2) are provided in Annexure V.

### Key Disclosures (Rule 5(1))

- **Remuneration (₹ in lakhs p.a.)**
  - Mr. Vasudevan Mahalingam: *Nil* (Ratio to median: *Nil*; % increase: *Nil*)
  - Ms. Manimala Vasudevan: **18.00** (Ratio: **12**; % increase: **50%**)
  - Mr. Vijayakumar Madhavan: **18.00** (Ratio: **12**; % increase: **80%**)
- **Median remuneration:** ₹ 7.25 lakhs per annum in FY 2024–25 vs ₹ 3.24 lakhs per annum in FY 2023–24 (approx. ₹27,000 per month), implying ~10% increase year-on-year.
- **Permanent employees** (as at 31st March, 2025): **42**.
- **Average increases:** ~10% across non-managerial employees; managerial remuneration **largely unchanged** except normal increments based on performance.

*Note:* I normalized the “per month/per annum” wording to avoid ambiguity. Please confirm the median base (monthly vs annual) before publishing.

## 25. Pecuniary Relationships of Non-Executive Directors

No sitting fees were paid to Non-Executive Directors. **Mr. Vasudevan Mahalingam** held 3,84,96,620 equity shares as of 31st March, 2025.

## 26. Internal Financial Controls

The term *Internal Financial Controls* refers to the policies and procedures adopted by the Company to ensure the **orderly and efficient conduct of business**, including adherence to internal policies, safeguarding of 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 the size, scale, and complexity of its operations.

To maintain objectivity and independence, the **Internal Audit function** reports directly to the **Chairman of the Audit Committee**. The Internal Audit Department monitors and evaluates the adequacy and effectiveness of the internal control systems, as well as compliance with operating systems, accounting procedures, and policies across all locations of the Company.

Based on Internal Audit reports, process owners implement **corrective actions** in their respective areas, thereby strengthening controls. Significant audit observations and recommendations, along with management’s corrective actions, are placed before the Audit Committee for review.

The Audit Committee also holds periodic discussions with the **Internal and Statutory Auditors** as well as with the **Management**, thereby ensuring the integrity of financial reporting and confirming that the Company’s internal financial controls and risk management systems remain **robust, effective, and defensible**.

## 27. Human Resources

### 27.1 Employee Strength and Expansion

Calsoft leverages a localisation strategy across global locations and continues to focus on productivity and employee experience through simplification and digitalisation of HR processes.

### 27.2 Talent Acquisition & Development

Digital, Cloud, AI and data-driven approaches underpin hiring, development, and career management, with emphasis on **learn–unlearn–relearn** and building performance, productivity, and innovation.

## 28. Disclosure under the Sexual Harassment of Women at Workplace Act, 2013

The Company has an **Anti-Sexual Harassment Policy** and a duly constituted ICC. **No complaints** were received during FY 2024–25.

## 29. Significant and Material Orders

No orders were passed by Regulators/Courts/Tribunals **impacting the going concern** status or future operations.

## 30. Material Changes and Commitments

There were **no material changes/commitments** affecting the financial position between the end of the financial year and the date of this report.

## 31. Extract of Annual Return

As per the MCA Notification dated **28th August, 2020** amending Rule 12(1), the **Annual Return** in accordance with Section 92(3) of the Companies Act, 2013 and as prescribed in Form MGT-7 of the Companies (Management and Administration) Rules, 2014 is made available on the Company’s website.




## 32. Corporate Governance

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

A detailed **Report on Corporate Governance**, together with the **Management Discussion and Analysis Report** under Regulation 34 of SEBI (LODR), along with a certificate from **M/s. S. Dhanapal & Associates LLP, Practising Company Secretaries**, confirming compliance, is annexed as **Annexure VI** and forms part of this Report.

## 33. Code of Conduct

In accordance with SEBI (LODR) Regulations, 2015 and the Companies Act, 2013, the Company has adopted a **Code of Conduct** applicable to all Board Members and Senior Management Personnel.

The Code is available on the Company's website:  [www.calsofts.com](http://www.calsofts.com).

All Board Members and Senior Management Personnel have affirmed compliance with the Code for the financial year ended **31st March, 2025**. A declaration to this effect, signed by **Dr. M. Vasudevan, Managing Director**, forms part of the Corporate Governance Report.

## 34. Management Discussion and Analysis Report

The **Management Discussion and Analysis Report**, prepared in accordance with the Listing Regulations, forms part of this Annual Report under the heading *Management Report*.

## 35. Related Party Transactions

During FY 2024–25, the Company did not enter into any transactions of a **material nature** with its subsidiaries, promoters, Directors, senior management, or their relatives that could have had a potential conflict with the Company's interest.

The Company has obtained requisite **declarations from all Directors and senior management personnel**, confirming that no such relationships exist.

No materially significant related party transactions were undertaken other than those disclosed in the **Notes to Accounts**. Further details of related party contracts/arrangements are provided in **Annexure II** to this Report.

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

- As the Company is engaged in **Information Technology Enabled Services (ITES)**, the provisions relating to energy conservation and technology absorption are **not applicable**.
- During FY 2024–25, the Company earned **₹5.15 crore** in foreign exchange.

## 37. Directors' Responsibility Statement

Pursuant to Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, the Directors confirm that:

1. In the preparation of the annual accounts, the applicable accounting standards have been followed, along with proper explanation of any material departures.

2. The Directors selected appropriate accounting policies, applied them consistently, and made reasonable and prudent estimates to give a true and fair view of the state of affairs of the Company and its profit/loss for the year.
3. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the Act, for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities.
4. The annual accounts have been prepared on a **going concern basis**.
5. The Company has laid down proper internal financial controls and such controls are adequate and operating effectively.
6. Proper systems have been devised to ensure compliance with applicable laws and such systems are adequate and operating effectively.

## 38. Green Initiatives

In line with MCA guidelines and SEBI circulars, since FY 2016–17, the Company has been sending **electronic copies of Annual Reports and AGM Notices** to all members whose email addresses are registered with the Company/Depositories. Physical copies are sent to members who have not registered their email addresses.

## 39. Miscellaneous

a) The Company has not issued any shares with differential rights and hence no information as per provisions of Section 43(a)(ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

b) The Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Section 54(1)(d) of the Act read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

c) The Company has not issued any equity shares under Employees Stock Option Scheme during the year under review and hence no information as per provisions of Section 62(1)(b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

d ) During the year under review, there were no instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014is furnished.

e) During the year, there was no proceeding initiated by or against the company under the Insolvency and Bankruptcy Code, 2016.

f) The requirement to disclose the details of difference between amount of Valuation done at the time of onetime settlement and valuation done while taking loan from Banks & Financial Institutions along with the reasons thereof, is not applicable.

g) The company has complied with the provisions

## 39. Additional Information to Shareholders

The Company regularly publishes critical and pertinent investor information — including financial results, investor presentations, press releases, new launches, and project updates — on its website: 🖱️ [www.calsofts.com](http://www.calsofts.com).



## 40. Acknowledgements

The Board places on record its sincere appreciation to all customers, shareholders, suppliers, bankers, business partners/associates, and Government/regulatory authorities in India and overseas for their continued support.

The Board also acknowledges the commitment and dedication of employees at all levels and looks forward to their continued contribution in the years ahead.

**For and on behalf of the Board of Directors**

**Dr. M. Vasudevan**  
Managing Director & CEO

**Vijayakumar M**  
Whole-Time Director

**Place:** Chennai  
**Date:** September 05, 2025

# Annexure I – Form 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 the 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	Date since subsidiary was acquired	03 July 2001
4	Reporting period	01 April 2024 – 31 March 2025
5	Reporting currency	Indian Rupees (INR)
6	Share Capital	₹25,00,00,000
7	Reserves & Surplus	(₹2,00,41,141)
8	Total Assets	₹1,11,785
9	Total Liabilities	₹1,11,785
10	Investments	Nil
11	Turnover	Nil
12	Profit before taxation	(₹649)
13	Provision for taxation	Nil
14	Profit after taxation	(₹649)
15	Proposed Dividend	Nil
16	% of shareholding	100%

Notes:

- 1. Names of subsidiaries yet to commence operations – Nil
- 2. Names of subsidiaries liquidated or sold during the year – Nil



## Part B – Associates and Joint Ventures

As of 31 March 2025, the Company does not have any Associate Companies or Joint Ventures.

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	-

**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

**M. Vasudevan**  
Managing Director  
DIN: 01608150

**M. Vijayakumar**  
Whole Time Director  
DIN: 07892448

For K. Gopal Rao & Co.  
(ICAI Reg. No. 000956S)

**CA. Madan Gopal Narayanan**  
Partner  
Chartered Accountants  
Membership Number: 211784  
Place of Signature: Chennai  
Date: May 30, 2025.

## Annexure II – Form AOC-2

**Disclosure of Related Party Transactions** (Pursuant to Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014)

- Details of contracts or arrangements or transactions not at arm’s length basis – *Nil*
- Details of contracts or arrangements at arm’s length basis – provided in the Notes to Accounts.

Sl. No.	Particulars	Details
1	Name(s) of the related party & nature of relationship	
2	Nature of contracts/arrangements/transactions	
3	Duration of contracts/arrangements/transactions	
4	Salient terms of contracts/ arrangements/ transactions, including the value, if any	
5	Justification of entering into such contracts/ arrangements/ transactions, including the value, if any	
6	Date of approval by the Board	
7	Amount paid in advance, in any	
8	Date on which special resolution was passed in General meeting	



## Annexure II-A

# Framework for Performance Evaluation of the Board, Committees and Individual Directors

(Pursuant to Rule 8(4) of the Companies (Accounts) Rules, 2014)

As per the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the **Nomination and Remuneration Committee (NRC)** is responsible for formulating the evaluation criteria for performance evaluation of the Board, its Committees, the Chairperson, and individual Directors (both Independent and Non-Independent).

The Board is committed to a **formal evaluation process** to assess its own performance, the functioning of its Committees, and the contribution of individual Directors. This process enables identification of strengths, areas for improvement, and ensures overall effectiveness in governance.

### Process of Evaluation

1. **Annual Self-Evaluation:** Once every year, the Board conducts a self-evaluation. The Chairman of the Board, supported by the Company Secretary, organises the evaluation process and ensures appropriate follow-up.
2. **Evaluation Criteria:** The NRC formulates evaluation criteria for the Board and Independent Directors. The criteria broadly cover:
  - Knowledge and competence to perform assigned roles,
  - Time commitment and level of participation,
  - Performance of duties and adequacy of oversight,
  - Professional conduct, independence, and integrity.
3. **Feedback Mechanism:** Directors are requested to complete evaluation forms and submit them to the Chairman. Feedback is compiled and reviewed by the NRC and the Board.
4. **Inclusion in Directors' Report:** In accordance with Section 134 of the Companies Act, 2013, the Board's Report shall include a statement indicating that a formal evaluation of the Board, Committees, and Directors was carried out during the year.

### Training and Familiarisation Programme for Independent Directors

Every Independent Director, upon induction into the Board, undergoes an **orientation programme** to familiarise themselves with the Company's strategy, operations, structure, product offerings, and risk management framework.

- **Presentations:** Executive Directors and Senior Management provide detailed presentations on the Company's business strategy, operations, technologies, human resources, and regulatory environment.
- **Formal Appointment Letter:** At the time of appointment, each Independent Director receives a formal letter of appointment detailing their roles, duties, responsibilities, and fiduciary obligations.
- **Ongoing Updates:** Periodic sessions are held to update Independent Directors on industry developments, statutory and regulatory changes, and emerging risks.
- **Disclosure:** The details of the familiarisation programme for Independent Directors are available on the Company's website at 🖱️ [www.calsofts.com](http://www.calsofts.com).

## Annexure II-B

### Framework for Separate Meeting of Independent Directors

Pursuant to the provisions of Schedule IV of the Companies Act, 2013 and in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Independent Directors of the Company are required to hold at least **one meeting in a year**, without the attendance of Non-Independent Directors and members of the Management.

#### Purpose of the Meeting

The Independent Directors' meeting provides a forum to evaluate the performance of the Board and the Chairperson, and to ensure the quality and independence of decision-making at the Board level.

#### Scope of Review

At such meeting(s), the Independent Directors 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's Management and the Board, which is necessary for the Board to effectively discharge its duties.

#### Frequency

- The meeting shall be held **at least once in every financial year**.
- Independent Directors may, at their discretion, convene such meetings at any other time, as deemed necessary.
- The meeting may be conducted **before or after a scheduled Board Meeting**, depending on convenience.



## Annexure II-C

### Familiarisation Programme for Independent Directors

In accordance with the provisions of Schedule IV of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has adopted a structured Familiarisation Programme for its Independent Directors.

#### Objective

The programme is designed to:

- Provide insights into the **Company's business model, strategy, operations, and industry environment.**
- Enhance the Independent Directors' understanding of their **roles, rights, responsibilities, and fiduciary duties.**
- Familiarise Directors with the **financial performance, budgets, control processes, and governance practices** of the Company.

#### Coverage of the Programme

1. **Company and Industry Overview:** Introduction to the Company's business, products, operations, organisation structure, and industry dynamics.
2. **Business and Operational Updates:** Presentations on strategy, market trends, challenges, risk management, and regulatory environment.
3. **Financial Performance:** Detailed sessions on financial results, budgets, and internal control systems.
4. **Roles & Responsibilities:** Guidance on statutory duties, compliance requirements, and governance responsibilities as per applicable laws.

#### Responsibility for Conduct

- The **Managing Director** or other authorised officer(s) lead sessions on **business and industry-related aspects.**
- The **Chief Financial Officer (CFO)** or authorised officer(s) provide inputs on **financial performance, budget, and control processes.**

#### Ongoing Familiarisation

The programme is not limited to induction alone but continues through:

- Periodic updates at Board/Committee meetings on significant developments.
- Circulation of relevant reports, policies, and regulatory updates.
- Access to the Company's management team for discussions and clarifications.

## Annexure III

### Extracts from Nomination and Remuneration Policy

#### Policy on Board Diversity

##### Purpose of the Policy

This Policy on Board Diversity (the “*Policy*”) sets out the Company’s approach to ensuring adequate diversity in the composition of its Board of Directors (the “*Board*”). The Policy has been devised in consultation with the **Nomination and Remuneration Committee (NRC)** of the Board.

##### Scope of Application

This Policy applies to the Board of **California Software Company Limited (the “Company”)**.

##### Policy Statement

The Company recognises and embraces the benefits of a diverse Board as an essential element for maintaining a competitive advantage in today’s complex business environment.

A truly diverse Board is composed of appropriately qualified individuals with a broad range of experiences relevant to the Company’s industry and strategic objectives. Diversity will be reflected in skills, regional and industry experience, background, race, gender, and other distinguishing factors.

While merit remains the primary basis for appointment, diversity will be actively considered in determining the optimal composition of the Board. At a minimum, the Board shall include **at least one woman Director** in compliance with the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

##### Review of the Policy

The NRC and the Board will review this Policy periodically to ensure its effectiveness and alignment with applicable provisions of the Companies Act, 2013, SEBI (LODR) Regulations, 2015, and other relevant laws.

#### Remuneration Policy

##### Purpose of the Policy

This Policy governs the appointment and remuneration of Directors, Key Managerial Personnel (KMP), and Senior Management of the Company, as required under **Section 178 of the Companies Act, 2013** and **Regulation 19 of SEBI (LODR) Regulations, 2015**.

The objectives of the Policy are:

- a. To evaluate the performance of Board Members;
- b. To ensure remuneration involves a balance between fixed and incentive pay, reflecting short- and long-term performance goals;
- c. To attract, retain, and motivate qualified personnel, ensuring long-term sustainability and competitive advantage.

## Definitions

- **Independent Director:** As defined under Section 149(6) of the Act.
- **KMP:** As defined in Section 2(51) of the Act.
- **Senior Management:** Members of the Company's core management team one level below the Executive Directors, including functional heads.

## Composition of the NRC

The NRC shall be constituted in compliance with the Act, Rules, and SEBI (LODR) Regulations, 2015.

## Role of the NRC

The Committee shall:

1. Formulate criteria for determining qualifications, positive attributes, and independence of Directors;
2. Identify suitable candidates for appointment as Directors, KMP, and Senior Management;
3. Lay down criteria for performance evaluation of Directors, including Independent Directors;
4. Recommend to the Board matters relating to appointment, remuneration, and removal;
5. Devise a Policy on Board diversity.

## Appointment and Removal

- **Directors:** Appointments are based on integrity, expertise, experience, and alignment with the Board Diversity Policy.
- **KMP and Senior Management:** The Managing Director is authorised to identify and appoint suitable candidates, subject to NRC/Board guidance where necessary.
- **Removal:** The NRC may recommend removal of any Director, KMP, or Senior Management for reasons of disqualification, non-performance, or disciplinary action, subject to applicable laws.

## Term

- Directors' terms shall be governed by the Act and SEBI (LODR) Regulations, as amended.
- KMP and Senior Management terms shall be governed by the Company's HR policies.

## Evaluation

The NRC shall evaluate Directors annually on criteria including knowledge, participation, duties performed, oversight, conduct, and independence. Continuation and re-appointment will be subject to evaluation results.

## Remuneration

- **Executive Directors / Managing Directors:** Compensation will include fixed pay, performance-linked incentives, and may include commission, subject to shareholders'/Government approval where required.
- **KMP and Senior Management:** Remuneration will be determined by the Managing Director in line with market standards and Company HR policies.
- **Non-Executive / Independent Directors:** Remuneration will be in the form of sitting fees, commission, or as approved under applicable provisions. Independent Directors shall not be entitled to stock options unless specifically permitted under law.



## Annexure IV – Secretarial Audit Report (MR-3)

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, 2025, 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, 2025 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 Board of Directors (SS-1) and General Meetings (SS-2).
- ii) The Listing Agreements entered into by the Company with 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 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 occasions with the MCA, BSE and NSE, website disclosures, delay in credit of shares to shareholders account with respect to rights issue made during the year and payment of penalties to exchanges.

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 Board of Directors of the Company 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 agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions of the Board and Committees were unanimous and the same was captured and recorded as part of the minutes and hence no dissent is recorded in minutes.

**We further report that**, during the year exchanges has raised queries on clerical errors in quarterly filings made by the company which has been replied to by the company and replies are yet to be taken on record by the Exchanges.

**We further report that** based on our limited review of the compliance mechanism established by the Company, there appear 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 following major events other than transaction of ordinary business at the Annual General Meeting held on 09.09.2024 with regard to reappointment of Ms. Annaganalaur Srimathi Venkata Narayanan (DIN: 08328823) as an Independent Director of the Company (10.06.2024 up to 09.06.2029) as Special Resolution

**We further report that**, our Audit was subjected only to verifying 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**

(Practicing Company Secretaries)

(Firm Regn. No. L2023TN014200)

Peer Review Certificate No.1107/2021

**N. RAMANATHAN**

(Designated Partner)

FCS. 6665

CP No. 11084

UDIN: F006665G001152249

Place: Chennai

Date: 05.09.2025

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 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, financial statements 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**  
(Practicing Company Secretaries)  
(Firm Regn. No. L2023TN014200)  
Peer Review Certificate No.1107/2021

**N. RAMANATHAN**  
(Designated Partner)  
FCS. 6665; CP No. 11084  
UDIN: F006665G001152249

Place: Chennai  
Date: 05.09.2025

## Annexure V – Particulars of Employees (Rule 5)

Top Ten Employees by Remuneration (FY 2024–25)

Name	Designation	Remuneration (₹)
Mr. Thiyagarajan P	Project Manager	33,00,000
Mr. Syam Sundar	Asso Project Manager	20,13,080
Mr. Yeshwanth	Team Lead	18,00,000
Ms. Crissi Mariam	Team Lead	18,00,000
Ms. Shobika Babu	Team Lead	17,00,000
Mr. Saurabh Mistry	Sr Executive	14,00,000
Mr. Pawan Pandey	Sr Executive	13,65,000
Mr. Nelson Dsouza	Sr Executive	11,00,000
Mr. Vikash Kumar	Sr Executive	10,12,000
Mr. Naga Ravi	Sr Executive	10,00,000

- No employee drew remuneration exceeding ₹1.02 crore per annum.
- No employee drew remuneration exceeding ₹8.5 lakh per month for part of the year.

**Annexure VI**  
**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**  
(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the  
SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

In pursuance to sub clause (i) of clause 10 of Part C of Schedule V of the 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 representations / declarations received from Directors of the Company and taken on record by the Board of Directors of the Company as on **March 31, 2025**, 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](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company and its Officers, 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 the Company 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**  
(Practicing Company Secretaries)  
(Firm Regn. No. L2023TN014200)  
Peer Review Certificate No.1107/2021

**N. RAMANATHAN**  
(Designated Partner)  
FCS. 6665; CP No. 11084  
UDIN: F006665G001152249

Place: Chennai  
Date: 05.09.2025



A modern office interior with a mezzanine level. The mezzanine has glass railings and is illuminated by green LED lights. The ground floor has wooden desks, grey partitions, and large windows looking out onto greenery. A man in a white shirt is sitting at a desk on the right.

# CORPORATE GOVERNANCE REPORT



# CORPORATE GOVERNANCE REPORT

Good governance facilitates efficient, effective, and entrepreneurial management that delivers sustainable value to stakeholders over the long term. It reflects a commitment to ethical conduct, transparency, accountability, and adherence to values. Corporate governance encompasses the framework of laws, regulations, processes, and practices through which a company is directed, managed, and controlled.

Strong corporate governance underpins the success and integrity of companies, institutions, and markets, and is one of the essential pillars for building an efficient and sustainable business environment.

Corporate governance is rooted in the principles of **integrity, fairness, equity, transparency, accountability, and commitment to values**. The effectiveness of corporate governance depends not only on the formal framework but also on the culture and mindset of the organization. The Company regards fair and transparent governance as one of its core management tenets and subject its practices to regular and, where possible, independent reviews.

The Company has adopted a **Code of Conduct** for its Directors, Employees, Consultants, Vendors, and Customers. Additionally, it has in place a **Code of Conduct for Prevention of Insider Trading** and a **Code of Fair Disclosure**, in compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015. The Company ensures timely and accurate disclosure of its financial position, performance, ownership structure, and governance framework to all stakeholders.

## 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Effective corporate governance practices constitute the foundation on which sustainable and successful enterprises are built. The Company's philosophy on governance is aimed at promoting fiscal accountability, ethical corporate conduct, and fairness to all stakeholders — regulators, employees, customers, vendors, investors, and society at large.

Strong leadership and robust governance practices have been hallmarks of the Calsoft culture. The Company has a long-standing legacy of **fairness, transparency, and ethical practices**.

- The Company has adopted a Code of Conduct for its Executive Directors, including the Managing Director, and a separate Code of Conduct for its Non-Executive and Independent Directors, which incorporates the duties of independent directors as prescribed under the Companies Act, 2013 ("the Act").
- The governance framework is further strengthened through the **Calsoft Business Excellence Model**, the **Insider Trading Code**, and the **Information Security Policy**, which ensure the ethical use of IT resources and protection of stakeholder data.
- The Company complies with the requirements stipulated under **Regulations 17 to 27**, read with Schedule V and Regulation 46(2)(b)–(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations").

### Philosophy on Code of Governance

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

- Follow the **spirit of the law** and not merely the letter; standards of governance should go beyond compliance.
- Maintain **transparency** and a high level of disclosure; when in doubt, disclose.
- Ensure a clear distinction between **personal interests and corporate resources**.
- Communicate truthfully and consistently with all stakeholders.
- Maintain a **simple and transparent corporate structure** driven by business needs.
- Ensure **compliance with laws** in all jurisdictions of operation.
- Recognize that management is the **trustee of shareholders' capital**, not the owner.

Corporate governance is integral to the Company's pursuit of excellence, growth, and value creation. Beyond statutory compliance, the Company continually seeks to enhance transparency, strengthen internal controls, and institutionalize ethical practices. The Company views governance as an ongoing journey and reiterates its commitment to pursuing the **highest standards of corporate governance** in the interest of all stakeholders.

## 2. BOARD OF DIRECTORS

The Board of Directors is entrusted with defining the purpose, values, and long-term strategy of the Company. The primary role of the Board is that of trusteeship, with an objective to protect and enhance stakeholder value through strategic supervision of the Company and its subsidiaries.

The Board exercises leadership, integrity, and sound judgment to ensure sustainable growth and acts in the best interest of the Company and its stakeholders. It plays a critical role in ensuring compliance with applicable laws, monitoring risks, and overseeing the management's performance against strategic objectives.

The Board is ultimately responsible for the management, general affairs, direction, and performance of the Company and is vested with the requisite powers, authorities, and duties.

## 3. BOARD SIZE AND COMPOSITION

The Board is at the core of the Company's governance framework. The Company believes that an active, well-informed, and independent Board is essential for upholding the highest standards of corporate governance.

The Board comprises a judicious mix of **Executive, Non-Executive, and Independent Directors** with expertise across diverse domains relevant to the Company's business. Independent Directors, who form a majority on the Board, bring objective and independent judgment to Board deliberations, ensuring balance in decision-making.

### Changes during FY 2024-25

- **Mr. Sampath (DIN: 07556751)** resigned as Independent Director, effective June 20, 2024.
- **Ms. Annaganalaur Srimathi Venkata Narayanan (DIN: 08328823)** was re-appointed as Independent Director for a five-year term, effective June 10, 2024.
- **Mr. Ashok Godavarthi (DIN: 08389864)** resigned as Independent Director, effective May 29, 2025.

### Board Strength as on March 31, 2025

- Total Directors: **8**
  - 4 Independent Directors (including 1 Woman Director)
  - 1 Non-Executive/Non-Independent Director (Chairman)
  - 2 Whole-Time Directors
  - 1 Managing Director

The Board's composition conforms to **Regulation 17 of SEBI LODR Regulations, 2015**.

### Board Practices and Meetings

- None of the Directors are members of more than **10 Committees** or Chairpersons of more than **5 Committees** across public companies, in compliance with SEBI LODR.
- The Board met **seven times** during FY 2024-25, with the maximum interval between meetings not exceeding 120 days. Meetings were held on:
  - 30.05.2024
  - 10.06.2024
  - 14.08.2024
  - 25.10.2024
  - 07.01.2025



- 13.02.2025
  - 14.02.2025
- The required quorum was present at all meetings.
- None of the Non-Executive Directors had any material pecuniary relationship with the Company.

## Information Provided to the Board

The Board has unrestricted access to information and is regularly provided with material updates, including but not limited to:

- Annual operating and capital budgets.
- Quarterly financial results (standalone and consolidated).
- Minutes of Board Committees.
- Recruitment/remuneration details of key executives below Board level.
- Statutory notices, litigations, and compliance updates.
- Accidents, environmental issues, and safety reports.
- Defaults in financial obligations, if any.
- Product liability or reputational risks.
- Joint ventures, collaborations, or significant contracts.
- Labor/industrial relations matters, including wage agreements or VRS schemes.
- Sale of material investments or assets outside the ordinary course of business.
- Foreign exchange exposures and risk mitigation strategies.
- Non-compliance with regulatory or statutory requirements, if any.

The Company has established structured procedures for **periodic compliance reporting** to the Board, including measures taken to rectify instances of non-compliance.

COMPOSITION OF THE BOARD AND THE DIRECTORSHIP(S) / COMMITTEE MEMBERSHIP(S) / CHAIRMANSHIP(S)								
Name and Designation of the Director	Category	No. of Board Meetings		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	2	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

## Board Composition (as on March 31, 2025)

As of March 31, 2025, the Board of California Software Company Limited comprised **eight members**, including:

- **One Promoter Director** – Dr. M. Vasudevan, designated as Managing Director & Chief Executive Officer.
- **Four Independent Non-Executive Directors** (including one Woman Director).
- **One Non-Executive/Non-Independent Director.**
- **Two Whole-time Directors.**

The Chairman of the Board is a Non-Executive/Non-Independent Director. The composition is fully compliant with **Regulation 17 of SEBI (LODR) Regulations, 2015.**

None of the Directors hold directorships in any other public companies, including listed entities.

## Disclosure of Relationships between Directors inter-se

- **Ms. Manimala Vasudevan** (Executive Director) is the spouse of **Dr. Vasudevan Mahalingam** (Managing Director & CEO).
- None of the other Directors are related to each other.

## Shareholding of Non-Executive Directors

Non-Executive Directors do not hold any equity shares or convertible instruments in the Company.

## Risk Management

Although the Company does not fall under the top 1000 companies by market capitalization (as per SEBI LODR), it has **voluntarily adopted robust risk assessment and minimization procedures.**

- Risks are **identified, assessed, and reviewed periodically** by the Board.
- Mitigation measures are designed, implemented, and monitored against fixed timelines.
- The framework ensures that both existing and emerging risks are addressed proactively, strengthening resilience and operational sustainability.

## Board Meetings – Functioning and Procedures

### Calendar of Meetings

- The **probable dates of Board meetings for the upcoming year** are decided in advance and disclosed in the Annual Report.

### Frequency of Meetings

- The Board meets at least **once every quarter** to review financial results and other matters.
- Additional meetings are convened whenever required.
- In case of urgent business matters, **resolutions by circulation** are passed.
- The Company also provides **teleconferencing/video conferencing facilities** to ensure maximum participation.

### Location

- The venue of each meeting is informed to Directors well in advance.

## Agenda and Materials

- The **agenda papers and supporting documents** are circulated in advance to Directors to facilitate informed discussions.
- Where it is not feasible to circulate documents beforehand, they are tabled at the meeting.
- Directors are encouraged to suggest additional agenda items.

## Presentations by Management

- The Board regularly receives detailed presentations on:
  - Finance, sales, marketing, and operations.
  - Major business segments and subsidiaries.
  - Global industry trends and business strategy.
  - Risk management initiatives.

## Access to Employees

- Directors have **unrestricted access** to the Company's officers and employees.
- Management is encouraged to invite senior executives to meetings where their expertise would aid deliberations.

## Information Available to the Board

The following matters, among others, are regularly placed before the Board:

- Annual operating and capital expenditure budgets.
- Quarterly and annual financial results (standalone and consolidated).
- Subsidiary performance reports and investment updates.
- Risk management framework and mitigation actions.
- Minutes of subsidiary Boards and Committees.
- Related party transactions.
- Treasury management and forex exposure updates.
- Statutory compliance status and reports of non-compliance, if any.
- Recruitment and remuneration of key managerial personnel.
- Show cause/demand notices and significant legal matters.
- Major collaboration agreements or joint ventures.
- Sale of material assets or investments not in the ordinary course of business.
- Changes in accounting policies or significant HR developments.

## Post-Meeting Follow-up

- Decisions of the Board/Committees are promptly communicated to relevant departments.
- An **Action Taken Report (ATR)** on previous decisions is placed in the subsequent meeting for review.



## 4.Code of Conduct

The Company has adopted a **Code of Conduct** applicable to all employees, including the Managing Director and Executive Directors. This Code is available on the Company's website.

In addition, the Board has adopted a **Code of Conduct for Non-Executive Directors**, which incorporates the duties of Independent Directors as laid down in Schedule IV of the Companies Act, 2013. This Code is also hosted on the Company's website.

All Board Members and Senior Management Personnel (as defined under Regulation 26(3) of SEBI LODR Regulations) have affirmed compliance with the respective Codes of Conduct. A declaration to this effect, duly signed by the Managing Director & CEO, forms part of this Report.

Further, the Senior Management has confirmed that there are no material financial or commercial transactions between them and the Company that could have a potential conflict of interest with the Company's business at large.

### Independent Directors

All Independent Directors of the Company have been appointed in accordance with the provisions of the Companies Act, 2013, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Formal letters of appointment have been issued to them, and 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 they participate as a Director, and thereafter at the first meeting of the Board in every financial year, provides a declaration confirming that they meet the independence criteria as prescribed under Section 149(6) of the Companies Act, 2013, and Regulation 16(1)(b) of the SEBI LODR Regulations, 2015.

The Company has received such declarations from all Independent Directors. In the Board's opinion, all Independent Directors fulfill the conditions specified under the SEBI LODR Regulations and are independent of the management.

### Independent Directors' Meeting

In compliance with the provisions of the Companies Act, 2013, and SEBI LODR Regulations, the Independent Directors are required to meet at least once every financial year, without the presence of Executive Directors and members of management.

During FY 2024–25, the Independent Directors met on **February 14, 2025** and, inter alia, discussed the following:

- Performance of Non-Independent Directors and the Board as a whole.
- Performance of the Chairperson of the Company, taking into account the views of Executive and Non-Executive Directors.
- The quality, quantity, and timeliness of the flow of information between management and the Board, which is necessary for the Board to effectively discharge its duties.

## Familiarisation Programme for Independent Directors

The Company has put in place a **Familiarisation Programme** for its Independent Directors, with the objective of providing them with insights into the Company's operations and enabling them to contribute effectively to Board deliberations.

- Independent Directors are provided with documents, reports, and internal policies to familiarize themselves with the Company's procedures and practices.
- Periodic presentations are made at Board and Committee meetings on business performance, global industry trends, strategy, and risk management.
- Quarterly updates on relevant statutory and regulatory changes are shared with Directors.
- Upon appointment, Independent Directors are issued a formal Letter of Appointment outlining their roles, functions, responsibilities, and fiduciary duties.

Details of the Familiarisation Programme are available on the Company's website at <https://www.calsofts.com/investors>.

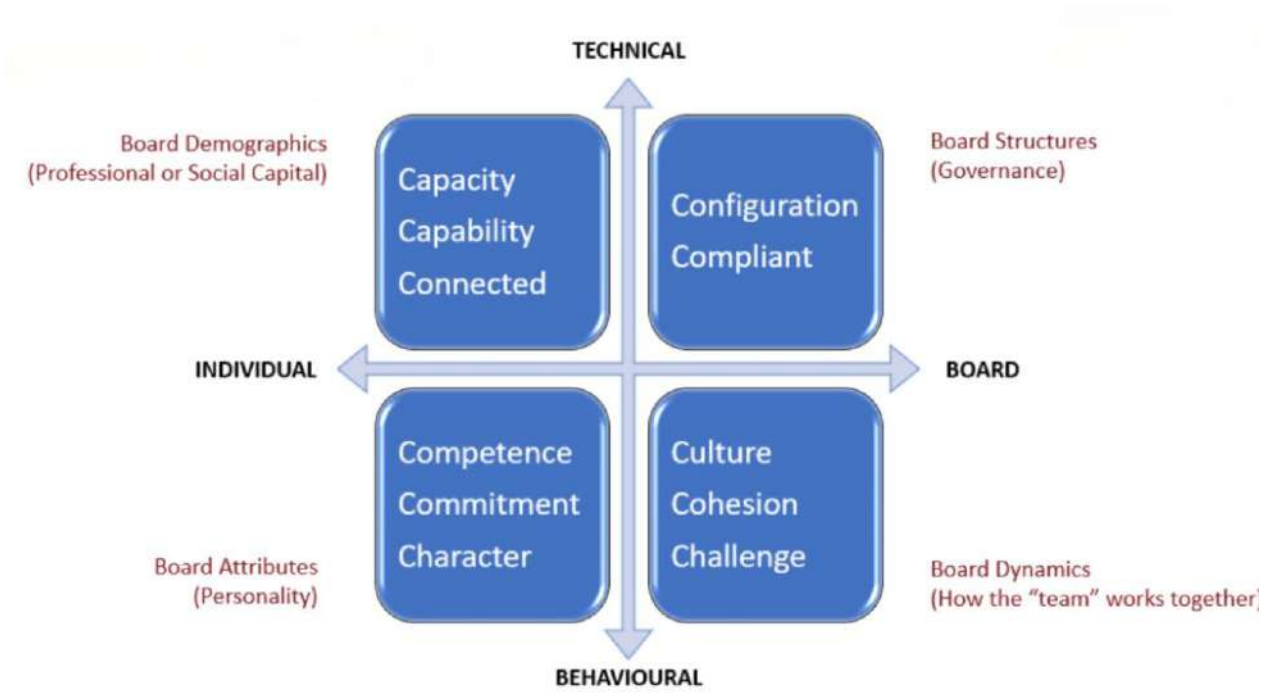
## Skills, Expertise and Competencies of the Board

Based on the recommendations of the **Nomination and Remuneration Committee (NRC)**, the Board has identified the following core skills, expertise, and competencies required in the context of the Company's business and the IT/ITES sector in which it operates:

1. **Industry Knowledge and Domain Expertise** – Deep understanding of the IT services, SaaS, and digital transformation landscape.
2. **Strategic Leadership and Governance** – Ability to provide long-term strategic direction and ensure robust governance practices.
3. **Financial Acumen** – Strong knowledge of financial management, capital markets, and regulatory frameworks.
4. **Technology and Innovation** – Expertise in emerging technologies such as AI, Cloud, IoT, and Blockchain.
5. **Risk Management** – Experience in identifying, assessing, and mitigating business and operational risks.
6. **Global Business Perspective** – Understanding of global market dynamics, cross-border operations, and international business development.
7. **People and Culture Development** – Skills in talent management, succession planning, and fostering an ethical, inclusive workplace.
8. **Legal, Regulatory, and Compliance** – Familiarity with corporate law, SEBI regulations, and governance standards.

## Skills, Expertise, and Competencies Available with the Board (Skills/ Expertise/ Competence)

Name of Director	Skills/ expertise /competencies possessed
Mr. Vasudevan Mahalingam	<p>All members of the Board possess the requisite management skills, professional expertise, and industry knowledge necessary for effective governance. Collectively, the Directors bring a strong understanding of:</p> <ul style="list-style-type: none"> <li>• <b>IT Industry and Operations</b> – Comprehensive knowledge of the IT/ITES and SaaS sectors, including digital transformation and global delivery models.</li> <li>• <b>Technological Advancements</b> – Awareness of emerging technologies and innovations, enabling the Company to remain competitive in a rapidly evolving market.</li> <li>• <b>Strategic Leadership</b> – Ability to design and implement business strategies that drive sustainable growth and enhance stakeholder value.</li> <li>• <b>Business Environment Awareness</b> – Close monitoring of the competitive landscape and industry trends to ensure proactive decision-making.</li> <li>• <b>Governance and Compliance</b> – Commitment to adhering to statutory and regulatory requirements and upholding the highest standards of ethics and transparency.</li> <li>• <b>Stakeholder Management</b> – Proven ability to balance the interests of shareholders, customers, employees, and regulators while fostering long-term relationships.</li> </ul> <p>The combined experience and competencies of the Board enable the Company to adapt to dynamic market conditions, mitigate risks effectively, and deliver consistent performance in line with stakeholder expectations.</p>
Mr. Frederick Ivor Bendle	
Mrs. Manimala Vasudevan	
Mr. Vijayakumar Madhavan	
Mrs. AVN Srimathi	
Mr. RS Chandan	
Mr. Ashok Suryachandra Rao	
Godavarthi	
Mr. Duraiswamy Basuvaiah	





## Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors has carried out the annual evaluation of:

- The Board as a whole
- The Committees of the Board
- Individual Directors (including Independent Directors and the Chairperson)

The **Nomination and Remuneration Committee (NRC)** approved a checklist and framework for performance evaluation, in line with the **SEBI Guidance Note on Board Evaluation (January 5, 2017)**.

- **Board Evaluation:** Conducted based on inputs from all Directors, focusing on criteria such as Board composition, structure, effectiveness of processes, adequacy of information, and quality of decision-making.
- **Committee Evaluation:** Based on inputs from respective Committee Members, covering aspects such as composition, frequency, effectiveness of meetings, and clarity of roles.
- **Individual Director Evaluation:** Based on preparedness for meetings, meaningful and constructive participation, quality of inputs, and contribution to discussions.
- **Chairperson Evaluation:** Covered leadership effectiveness, strategic guidance, fostering of Board culture, and overall effectiveness in managing the Board.

A separate meeting of the Independent Directors was held, where they evaluated:

- The performance of Non-Independent Directors
- The functioning of the Board as a whole
- The performance of the Chairperson, after considering inputs from both Executive and Non-Executive Directors

The outcomes of these evaluations were discussed at the subsequent Board meeting. The Board and NRC confirmed that the performance of the Board, its Committees, and individual Directors was effective and met the expectations set under applicable regulations.

## 5.Audit Committee

### Terms of Reference

The Audit Committee is constituted in accordance with **Section 177 of the Companies Act, 2013** and **Regulation 18 of the SEBI (LODR) Regulations, 2015**. Its role was further updated to align with amendments to the SEBI (LODR) Regulations and the SEBI (Prohibition of Insider Trading) Regulations, 2015.

The terms of reference of the Audit Committee include, inter alia:

- Oversight of financial reporting and disclosure processes.
- Review of annual, half-yearly, and quarterly financial statements before submission to the Board.
- Monitoring of accounting policies, internal controls, financial controls, and risk management policies.
- Pre-audit discussions with Statutory Auditors and post-audit reviews of findings.
- Recommendations to the Board on appointment, re-appointment, replacement, or removal of Statutory Auditors, along with their remuneration.
- Monitoring auditor independence and effectiveness of the audit process.
- Review of adequacy and effectiveness of the internal audit function, including staffing, reporting lines, and coverage.
- Evaluation of internal financial controls and risk management systems.
- Scrutiny of inter-corporate loans and investments, utilization of funds, and related-party transactions.

- Oversight of whistle-blower mechanisms and regulatory compliance processes.
- Approval of CFO appointment after assessing qualifications and suitability.
- Any other function as prescribed under Part C of Schedule II of the SEBI (LODR) Regulations, 2015, or Section 177 of the Companies Act, 2013.

## Meetings Held

During FY 2024–25, the Audit Committee met **four times**:

- 30.05.2024
- 14.08.2024
- 25.10.2024
- 14.02.2025

The gap between two consecutive meetings did not exceed **120 days**, in compliance with SEBI LODR. The meetings were attended by the Managing Director & CEO, the Chief Financial Officer, and representatives of the Statutory Auditors. Business and Operational Heads were invited when required.

The **Company Secretary acts as the Secretary to the Committee**. The Chairperson also holds periodic discussions with the Statutory Auditors in the absence of Company Executives to address critical issues.

Here’s your data presented in a **clean tabular format** for inclusion in the Corporate Governance Report (Nomination & Remuneration Committee attendance):

Audit Committee – Attendance during FY 2024–25

Directors	30.05.2024	14.08.2024	25.10.2024	14.02.2025	Remarks
A. V. N. Srimathi (Chairperson)	✓	✓	✓	✓	NIL
Sampath	✓	X	X	X	NIL
R. S. Chandan	✓	✓	✓	✓	NIL
B. Duraiswamy	✓	✓	✓	✓	NIL
Ashok Godavarthi	✓	✓	✓	✓	NIL

## Audit Committee – Constitution and Functioning

In accordance with the provisions of **Section 177 of the Companies Act, 2013**, Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014, and **Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**, the Company has duly constituted a **qualified and independent Audit Committee**.

As of **March 31, 2025**, the Audit Committee comprised **five (5) Non-Executive & Independent Directors**, all of whom possess sound financial and accounting knowledge and bring diverse expertise to the deliberations of the Committee.

The composition, procedures, powers, roles, functions, and terms of reference of the Audit Committee are detailed in the **Corporate Governance Report**, which forms an integral part of the **Board’s Report**.

During the year under review:

- The Audit Committee met regularly and discharged its responsibilities effectively.
- The recommendations and suggestions made by the Audit Committee were duly considered and accepted by the Board of Directors.
- There were **no instances of recommendations not being accepted** by the Board.

## 6.Nomination and Remuneration Committee

In compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has duly constituted a **Nomination and Remuneration Committee (NRC)**.

As of **March 31, 2025**, the Committee comprised the following members, all of whom are **Non-Executive & Independent Directors**:

Name of the Member	Category	Position in Committee
Mrs. A.V.N. Srimathi	Non-Executive, Independent Director	Chairperson
Mr. R.S. Chandan	Non-Executive, Independent Director	Member
Mr. B. Duraisamy	Non-Executive, Independent Director	Member
Mr. Ashok Godavarthi*	Non-Executive, Independent Director	Member

\*Resigned as Independent Director with effect from 29.05.2025.

### Role of the Nomination and Remuneration Committee

The role of the Committee, inter alia, includes:

- Identifying individuals qualified to become Directors and who may be appointed in senior management positions, in accordance with prescribed criteria.
- Recommending to the Board the appointment and removal of such individuals.
- Evaluating the performance of Directors.
- Formulating criteria for determining qualifications, positive attributes, and independence of Directors.
- Formulating a policy relating to the remuneration of Directors, Key Managerial Personnel (KMP), and other employees.
- Devising a policy on Board diversity.

### Meetings Held

During the financial year 2024–25, the Committee met **four times** on:

- 30.05.2024
- 14.08.2024
- 25.10.2024
- 14.02.2025

#### Nomination and Remuneration Committee – Composition and Attendance (FY 2024–25)

The Committee met **four times** during the year on 30.05.2024, 14.08.2024, 25.10.2024, and 14.02.2025. The gap between two meetings did not exceed **120 days**, in compliance with the SEBI Listing Regulations.

Director	30.05.2024	14.08.2024	25.10.2024	14.02.2025	Remarks
A. V. N. Srimathi (Chairperson)	✓	✓	✓	✓	NIL
Sampath	✓	X	X	X	NIL
R. S. Chandan	✓	✓	✓	✓	NIL
B. Duraiswamy	✓	✓	✓	✓	NIL
Ashok Godavarthi	✓	✓	✓	✓	NIL

**Key:** ✓ = Present, X = Absent; The gap between two meetings did not exceed **120 days**, in compliance with the SEBI Listing Regulations.



# Nomination and Remuneration Committee (NRC)

The Company has constituted a **Nomination and Remuneration Committee** in compliance with **Section 178 of the Companies Act, 2013** and **Regulation 19 of the SEBI (LODR) Regulations, 2015**. As of March 31, 2025, the Committee comprised only **Non-Executive Independent Directors**, with **Mrs. A.V.N. Srimathi** serving as the Chairperson.

## Terms of Reference of the Committee

The NRC is entrusted with the following responsibilities:

1. **Succession Planning**
  - To oversee succession planning for key positions, namely the Directors, Chief Executive Officer (CEO), Chief Operating Officer (COO), Chief Financial Officer (CFO), and Senior Management.
  - To identify, screen, and review candidates (internal and external) and recommend suitable appointments to the Board.
2. **Appointments and Removals**
  - To recommend to the Board the appointment and removal of Directors, Key Managerial Personnel (KMP), and persons in Senior Management (defined as corporate officers of the Company).
3. **Evaluation**
  - To conduct performance evaluation of all Directors, including Independent Directors, and the overall Board and its Committees.
4. **Remuneration Framework**
  - To recommend a policy relating to the remuneration of Directors, KMP, and other employees, ensuring:
    - Remuneration levels are reasonable, sufficient, and capable of attracting, retaining, and motivating talent.
    - A clear linkage between remuneration and performance benchmarks.
    - A balance between fixed and incentive pay that reflects both short-term and long-term performance objectives.
5. **Additional Responsibilities**
  - To formulate criteria for determining the qualifications, positive attributes, and independence of Directors.
  - To devise a policy on Board diversity.
  - To review and approve/recommend remuneration for the Company's Whole-time Directors and Corporate Officers.
  - To approve the inclusion and promotion of senior officers as Corporate Officers.
  - To regularly review the Human Resource function of the Company.
  - To approve grants of stock options to eligible employees and Directors (excluding Independent Directors and Promoter Directors) of the Company and its subsidiaries.
  - To discharge such other functions or exercise such powers as may be delegated by the Board from time to time.
  - To report periodically to the Board and reassess the adequacy of its Charter.

## Policy on Selection and Appointment of Directors

- The Committee identifies and evaluates the integrity, qualifications, expertise, and experience of candidates for appointment as Director, KMP, or Senior Management, in line with the Company's policy.
- The Committee has the discretion to determine whether a candidate's qualifications and experience are sufficient for the role.
- The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of **70 years**, unless approved by shareholders through a **Special Resolution**.

## Remuneration Policy and Criteria

### Executive Directors

- The remuneration of Executive Directors is recommended by the NRC to the Board and, upon approval by the Board, is placed before shareholders for final approval.
- Executive Directors **do not receive sitting fees** for attending Board or Committee meetings.
- During FY 2024–25, only one Executive Director received remuneration.
- There are **no provisions for notice period or severance fees** payable at termination.
- No stock options are granted to Executive Directors.

### Non-Executive Directors

- Non-Executive Directors may receive sitting fees for attending meetings of the Board and its Committees, as determined by the Board within statutory limits.
- They may also be entitled to profit-related commission, if approved by shareholders.
- Independent Directors are not eligible for stock options.

### Yearly Remuneration paid to executive directors

Name & Designation of the Executive Director	Salary & Allowances (₹)	Contribution to PF & Other Funds (₹)	Other Perquisites / Benefits (incl. medical reimbursement, car facility, etc.) (₹)	Total (₹)
Mr. Vijayakumar Madhavan – Whole-Time Director	18,00,000	NIL	NIL	18,00,000
Ms. Manimala Vasudevan – Whole-Time Director	18,00,000	NIL	NIL	18,00,000

### Remuneration of Non-Executive Directors

- During the year under review, the Company **did not pay any sitting fees** to its Non-Executive Directors for attending the meetings of the **Board of Directors, Audit Committee, and Finance Committee**.
- The Company also **did not pay any commission** to its Non-Executive Directors.
- Further, there are **no pecuniary relationships or transactions** between the Non-Executive Directors and the Company.

### Succession Planning

The **Nomination and Remuneration Committee (NRC)** is responsible for evaluating and recommending to the Board an appropriate leadership succession plan. The objective is to ensure **orderly succession in appointments to the Board and Senior Management** positions.

This framework also emphasizes **internal talent development**. By creating opportunities for Senior Management personnel to rise to future leadership roles, the Company strengthens organizational stability while motivating its talent pool.

## 7.Stakeholders’ Relationship Committee

(Formerly known as Shareholders’/Investors’ Grievance Committee)

The Company has constituted a **Stakeholders’ Relationship Committee** in compliance with **Section 178 of the Companies Act, 2013** and **Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**, to address and resolve grievances of shareholders and investors.

The Committee reviews and resolves complaints related to:

- Transfer, transmission, or credit of shares;
- Non-receipt of dividends, notices, and Annual Reports;
- Redressal of investor queries, complaints, and requests.

### Composition as of March 31, 2025

- Dr. Vasudevan Mahalingam – **Executive Director**
- Mrs. A.V.N. Srimathi – **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 Committee, therefore, comprises **five Directors**, of which **four are Non-Executive Independent Directors** and one is an **Executive Director**, ensuring independence in its functioning.

### Stakeholders’ Relationship Committee – Meetings & Attendance (FY 2024–25)

The Committee met **three times** during the financial year 2024–25, as per the details below. The gap between two meetings did not exceed 120 days, in compliance with SEBI (LODR) Regulations, 2015.

Directors	06-05-2024	30-05-2024	13-02-2025	Remarks
A. V. N. Srimathi (Chairperson)	✓	✓	✓	NIL
Sampath	✓	✓	X	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. Its scope includes:

- Redressal of complaints relating to transfer/transmission of shares, non-receipt of annual reports, non-receipt of dividends, etc.
- Scrutiny of the performance of the **Registrar & Share Transfer Agent (RTA)** and recommending measures for service quality improvement.
- Addressing any allied matters incidental to investor grievance redressal.



Details of Investor Complaints (FY 2024–25)

- Number of complaints received: 0
- Number of complaints resolved: 0
- Complaints pending/unresolved: 0
- Complaints not solved to the satisfaction of shareholders: 0

Nature of Complaints Received & Redressed (2022–23)

Sl. No.	Nature of Complaint	Received & Redressed
1	Correspondence regarding demat/general issues	0
2	Non-receipt of share certificate / transfer / transmission of shares	0
3	Revalidation/non-receipt of dividend warrants / dividend payment status	0

**Compliance Officer**  
**Mr. Krishnamoorthy Venkatesan**  
Company Secretary & Compliance Officer  
California Software Company Limited  
Workflo, Greeta Towers, Industrial Estate, Perungudi, OMR Phase 1, Chennai – 600096  
 Ph: +91 9884223183  
 Email: [cs@calsoftgroup.com](mailto:cs@calsoftgroup.com)

## 8.Independent Directors’ Meeting

During the year, the Independent Directors met **once**, without the presence of Executive Directors or management, to discuss:

- Evaluation of the performance of Non-Independent Directors and the Board as a whole.
- Evaluation of the performance of the Chairman, considering the views of Executive and Non-Executive Directors.
- Evaluation of the quality, content, and timeliness of the flow of information between the management and the Board.

All Independent Directors were present at this meeting.

### Declaration by Independent Directors

As required under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI LODR 2015, each Independent Director submitted a declaration confirming that they meet the criteria of independence. The Board has confirmed that all Independent Directors are **independent of management** and fulfill the conditions specified under the Act and SEBI regulations.

### Training & Familiarization Program for Independent Directors

- Independent Directors are provided with **documents, reports, and policies** to familiarize themselves with the Company’s practices.
- Periodic presentations are made at Board and Committee meetings on:
  - Business and performance updates,
  - Industry and global business environment,
  - Corporate strategy and risks,
  - Statutory and regulatory updates (quarterly).
- Upon appointment, Directors receive a **formal Letter of Appointment** detailing their roles, responsibilities, and fiduciary duties.
- Orientation programs and presentations by senior management further familiarize them with strategy, operations, HR policies, technology, and risk management.

✦ The details of the familiarization program are available on the Company’s website:  
<https://www.calsofts.com/investors>

### Performance Evaluation

In line with the Companies Act, 2013 and SEBI LODR 2015, the Company carried out an **annual performance evaluation** of:

- The Board,
- Its Committees, and
- Individual Directors (including the Chairman).

### Evaluation Focus

- Independent Directors: Corporate governance adherence, strategic contributions, fiduciary responsibilities, and active participation in meetings.
- Non-Independent Directors & Board: Business prudence, ethical practices, integrity, and commitment to stakeholder value.
- Chairman: Conduct of Board proceedings, unbiased decision-making, addressing Directors’ concerns, and ensuring effective deliberations.

The evaluation was conducted through structured criteria approved by the NRC. The Directors expressed satisfaction with the process and outcomes.

## 9.Subsidiary Companies

- As per Regulation 16(1)(c) of SEBI LODR, no unlisted Indian subsidiary of the Company qualifies as a **material subsidiary** (i.e., income/net worth >20% of consolidated figures).
- Hence, the requirement under Regulation 24 for appointing an Independent Director of the Company on the board of a material subsidiary **does not apply**.
- The Audit Committee regularly reviews:
  - Financial statements of subsidiaries,
  - Investments made by subsidiaries.
- Minutes of Board meetings and significant transactions/arrangements of subsidiaries are placed before the Company’s Board.
- The **Policy on Material Subsidiaries** is available at: <https://www.calsofts.com/investors>

## 10. General Body Meetings

### Details of Annual General Meetings (AGMs)

Financial Year	Date	Time	Venue
2021–22	29th Sept 2022	11:00 AM	Workflo, Greeta Towers, Chennai – OMR Phase 1 (VC/OAVM)
2022–23	29th Sept 2023	01:30 PM	Workflo, Greeta Towers, Chennai – OMR Phase 1 (VC/OAVM)
2023–24	9th Sept 2024	04:00 PM	Workflo, Greeta Towers, Chennai – OMR Phase 1 (VC/OAVM)

## 11. Special Resolutions Passed

### Postal Ballot – 18th March 2022

- Appointment of M/s. M.K. Dandeker & Co., Chartered Accountants, Chennai (ICAI Regn. No. 000679S) as Statutory Auditor to fill casual vacancy caused by the resignation of M/s. N. Naresh & Co.
- Approval to borrow up to ₹200 Crores.
- Approval for creation of charge, mortgage, and hypothecation on Company assets.

(Scrutinizer: Mr. N. Ramanathan, FCS 6665, Designated Partner, M/s. S Dhanapal & Associates LLP)

### AGM – 29th September 2023

- No special resolutions were passed.

### AGM – 9th September 2024

- Re-appointment of **Ms. Annaganalaur Srimathi Venkata Narayanan (DIN: 08328823)** as an Independent Director.

### Extra-Ordinary General Meetings (EOGMs):

- No EOGMs were held during FY 2021–22 and FY 2024–25.



## 12. DISCLOSURES

### Materially Significant Related Party Transactions

There were **no materially significant related party transactions** during FY 2024–25 that could have had a potential conflict with the interests of the Company. The transactions entered into with related parties were in the ordinary course of business and on an arm's length basis, duly disclosed in the financial statements.

- A **Policy on Related Party Transactions**, formulated pursuant to the Companies Act, 2013, and SEBI (LODR) Regulations, 2015, has been approved by the Board and is available on the Company's website at <https://www.calsofts.com/investors>.
- The Company has obtained requisite declarations from all Directors and senior management personnel confirming that they had no financial or commercial transactions with the Company that could give rise to a conflict of interest.

### Compliances by the Company

- The Company has complied with all applicable provisions of the SEBI (LODR) Regulations, 2015, Stock Exchange requirements, and other statutory authorities on matters relating to capital markets during the last three years.
- **No penalties or strictures** have been imposed on the Company by SEBI, Stock Exchanges, or any other statutory authority.
- All disclosures required under Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (LODR) Regulations, 2015 have been made in this Report.

### Other Disclosures

- The Company has a **Whistle Blower Policy**, and no personnel have been denied access to the Audit Committee.
- No funds were raised through public, rights, or preferential issues during the year.
- The Company has adopted an **Archival Policy** and a **Policy for Determination of Materiality of Events or Information**, both of which are available on the Company's website.
- A **certificate from a Practicing Company Secretary** confirming that none of the Directors have been debarred or disqualified by SEBI, MCA, or any statutory authority is annexed to this Report.

### CEO/CFO Certification

In accordance with Regulation 17(8) of SEBI (LODR) Regulations, 2015, read with Part B of Schedule II, the CEO and CFO certification was placed before the Board along with the financial statements for the year ended March 31, 2025. The same forms part of this Annual Report.

### Whistle Blower Policy

The Company has established a **Whistle Blower Policy** to ensure transparency, accountability, and high ethical standards.

- It provides avenues for Directors, employees, contractors, clients, vendors, auditors, or other stakeholders to report unethical behavior, suspected fraud, or violation of the Company's Code of Conduct.
- Complaints are overseen either by the **Ombudsperson** (for senior management cases) or the **Chief Ethics Officer** (for other cases).
- The whistleblower has direct access to the Audit Committee, and confidentiality of identity is assured.
- The Audit Committee periodically reviews the status of complaints received and their resolution.
- The Policy is available on the Company's website at [www.calsofts.com](http://www.calsofts.com).

## Code for Prevention of Insider Trading

Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015:

- The Company has adopted a **Code of Practices and Procedures for Fair Disclosure of UPSI** and a **Code of Conduct to regulate, monitor, and report trading by employees and connected persons**.
- Directors, officers, and designated employees are required to adhere strictly to these Codes while dealing in securities of the Company.
- Initial and continual disclosures by Directors and KMPs are filed with Stock Exchanges within the prescribed timelines.
- Dealings by Directors and senior management personnel are monitored and reported to the Audit Committee.

## Fees Paid to Statutory Auditor

During FY 2024–25, the Company and its subsidiaries, on a consolidated basis, paid an aggregate fee of **₹6.00 lakhs** to **M/s. K. Gopal Rao & Co., Chartered Accountants**, Statutory Auditors of the Company, towards statutory audit and other permitted services.

## Prevention and Redressal of Sexual Harassment at Workplace Policy

The Company is committed to providing a safe and healthy work environment that is free from harassment of any kind, including sexual harassment. To prevent and redress such complaints, the Company has adopted a **Prevention and Redressal of Sexual Harassment at Workplace Policy** in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

This policy applies to all employees of the Company, its group companies, and joint ventures operating in India, including regular, temporary, ad hoc, daily wagers, contractual staff, vendors, clients, consultants, trainees, probationers, apprentices, contract labour, and visitors.

The policy extends beyond the physical office space and covers any place visited by the employee during the course of employment, including work-related travel, offsite meetings, and company events.

- The Company has constituted an **Internal Complaints Committee (ICC)** to investigate and redress sexual harassment complaints.
- The functioning and implementation of the policy are periodically reviewed by the **Audit Committee** of the Board.

## Disclosures for FY 2024–25:

- Number of complaints filed during the year: **Nil**
- Number of complaints disposed of during the year: **Nil**
- Number of complaints pending as of March 31, 2025: **Nil**

## Compliance with Mandatory and Non-Mandatory Requirements of SEBI (LODR) Regulations, 2015

The Company has complied with all mandatory requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In addition, the following non-mandatory requirements have also been adopted:

1. **Shareholders' Rights** – Financial results, reports, and other statutory disclosures are regularly filed with SEBI/Stock Exchanges and made available in the *Investors* section of the Company's website.

2. **Audit Qualifications** – Explanations and responses to Auditor’s qualifications (if any) are detailed in the Board’s Report.
3. **Separate roles of CEO and CFO** – The positions of the Chief Executive Officer (CEO) and Chief Financial Officer (CFO) are held by separate individuals.
4. **Internal Auditor Reporting** – The Internal Auditor reports directly to the Audit Committee on functional matters.
5. **Corporate Governance Compliance Certificate** – A compliance certificate regarding adherence to SEBI (LODR) requirements, issued by a Practicing Company Secretary, is annexed to this Report.

## Means of Communication

- **Quarterly Results** – Published in leading newspapers such as *Financial Express* (English) and *Makkal Kural* (Tamil).
- **Website** – The Company’s website ([www.calsofts.com](http://www.calsofts.com)) provides comprehensive information including financial results, annual reports, press releases, investor presentations, and shareholding patterns.
- **Stock Exchanges** – All material information and price-sensitive updates are promptly submitted to BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).
- **Investor Contact** – The Company has a designated e-mail ID for investor services: [investors@calsoftgroup.com](mailto:investors@calsoftgroup.com).

## General Shareholder Information

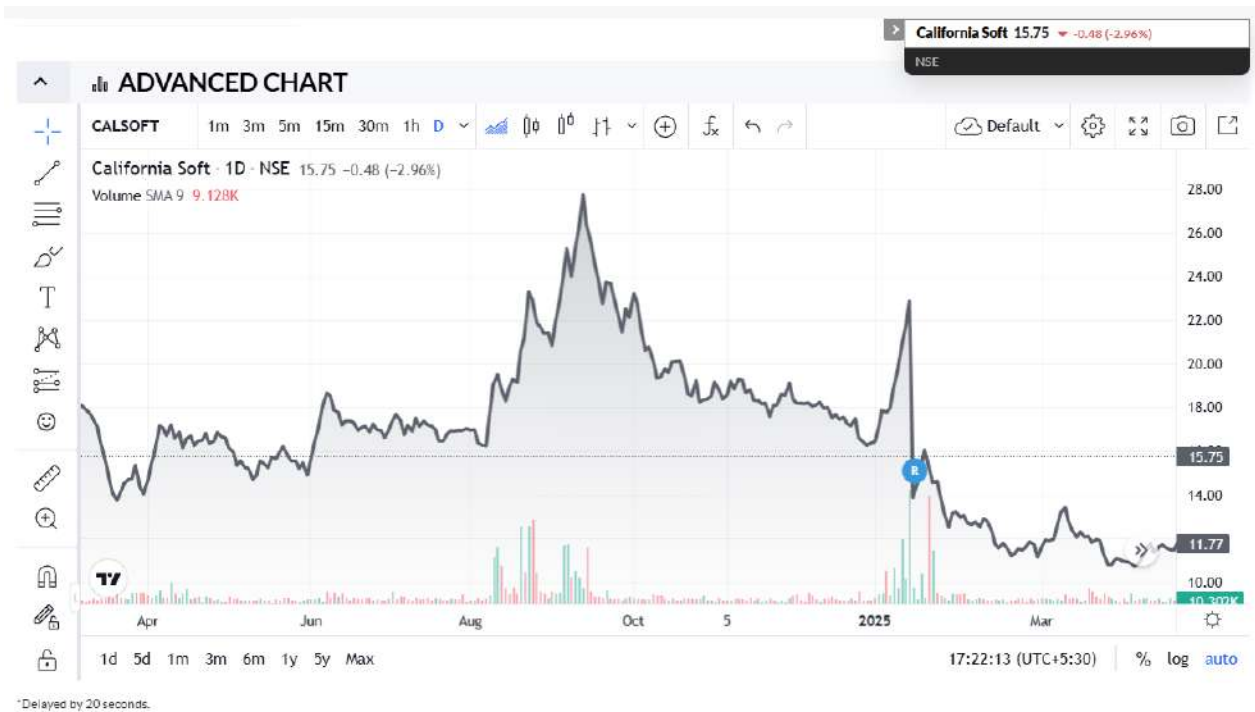
Particulars	Details
Annual General Meeting	September 29, 2025 at 5:00 P.M. (VC/OAVM)
Financial Year	April 1, 2024 – March 31, 2025
Book Closure Dates	September 22, 2025 to September 29, 2025 (both days inclusive)
Dividend Payment Date	N.A.
Stock Exchanges	NSE: Exchange Plaza, BKC, Mumbai – 400051; BSE: Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001
Stock Codes	NSE: CALSOFT; BSE: 532386
ISIN	INE526B01014
Listing Fees	Paid for FY 2024–25
CIN	L72300TN1992PLC022135
Registered Office	Workflo, Greeta Towers, Industrial Estate, Perungudi OMR Phase 1, Chennai – 600096

## Stock Market Price Data (FY 2024–25)

Month	BSE – High	BSE – Low	NSE – High	NSE – Low
April 2024	18.05	14.42	18.30	14.30
May 2024	17.40	14.53	17.15	14.45
June 2024	19.44	16.00	19.17	15.60
July 2024	18.39	16.00	18.24	16.07
August 2024	24.09	15.66	23.86	15.80
September 2024	28.49	20.41	28.02	20.42
October 2024	24.15	17.80	23.49	17.51
November 2024	20.08	17.69	20.16	17.51
December 2024	19.91	16.22	19.94	16.23
January 2025	17.76	9.76	17.86	9.76
February 2025	13.65	11.00	13.60	11.09
March 2025	13.84	10.60	13.84	10.80



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



## Share Transfer System

Over **99% of the Company’s equity shares** are held in dematerialised form. Transfer of these shares is executed through the depositories without any involvement of the Company.

For shares held in physical form, the authority has been delegated to Company officials, who process transfer requests on a **fortnightly basis**.

- Shares sent for physical transfer are generally registered and returned **within 15 days** from the date of receipt, subject to valid and complete documentation.
- As required under **Regulation 40(9) of SEBI (LODR) Regulations, 2015**, the Company has obtained **half-yearly compliance certificates** from a Practicing Company Secretary confirming due compliance with share transfer formalities, which were filed with the Stock Exchanges.
- As of **March 31, 2025**, no equity shares were pending transfer.

## Reconciliation of Share Capital Audit Report

As required under **Regulation 55A of SEBI (Depositories and Participants) Regulations, 1996**, a quarterly **Reconciliation of Share Capital Audit** was carried out for FY 2024–25.

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

Particulars	No. of Shares (Fully Paid)	% of Issued Capital
Listed Capital	1,54,57,106	100.00%
Held in Dematerialised Form – NSDL	1,04,39,639	65.76%
Held in Dematerialised Form – CDSL	49,26,408	31.03%
Physical Shares	91,059	0.57%
Particulars	No. of Shares (Partially Paid)	% of Issued Capital
Listed Capital	4,63,71,318	100.00%
Held in Dematerialised Form – NSDL	4,14,47,334	83.73
Held in Dematerialised Form – CDSL	49,23,984	16.13
Physical Shares	-	-

Distribution of Equity Shareholding as on March 31, 2025

Category	No. of Shareholders	No. of Shares	% of Shares Held
Promoters	1	38,496,620	62.26%
Directors & Relatives (Excl. Independent/Nominee)	2	76,553	0.12%
UTI	1	300	0.00%
NRI	127	744,910	1.20%
Foreign Nationals	8	10,499	0.02%
Bodies Corporate	42	683,903	1.11%
Individuals (Nominal ≤ ₹2 Lakhs)	15,472	10,135,300	16.39%
Individuals (Nominal > ₹2 Lakhs)	63	11,060,900	17.89%
Clearing Member	1	45	0.00%
LLP	3	172,148	0.27%
LLP (Corporate Body)	1	1	0.00%
HUF	188	447,144	0.72%
Margin Trading Account	1	1	0.00%
Trusts	1	100	0.00%
Total	15,911	61,828,424	100.00%



## 13. Code of Business Ethics and Conduct (COBEC)

The Board has prescribed a **Code of Business Ethics and Conduct (COBEC)** that ensures:

- Transparency
- Ethical conduct
- Gender-friendly workplace
- Legal compliance
- Protection of Company property and information

The Code applies to all **Directors, employees, third-party vendors, consultants, and customers worldwide**. For Independent Directors, COBEC also incorporates the duties under **Schedule IV of the Companies Act, 2013**.

- COBEC is periodically reviewed to align with best business practices.
- The Code is available on the Company's website: [www.calsofts.com](http://www.calsofts.com).
- All Board Members and Senior Management have confirmed **compliance for FY 2024–25**.

A declaration to this effect, signed by the Managing Director & CEO, is included in this Report.

## 14. Other Statutory Information

- **Accounting Treatment** – The Company has followed the accounting standards prescribed by the **Institute of Chartered Accountants of India (ICAI)**.
- **Dematerialisation of Shares** – Shares are under **compulsory dematerialisation**. Over **99% of equity shares** are in electronic form as of March 31, 2025.
- **Outstanding Instruments** – The Company has not issued any **GDRs, ADRs, Warrants, or convertible instruments**.
- **Commodity & Forex Risk** – The Company has no significant commodity price or foreign exchange exposure and undertakes no hedging activity.
- **Plant Location** – The Company operates from its Registered Office:  
*Workflo, Greeta Towers, Industrial Estate, Perungudi OMR Phase 1, Chennai – 600096*
- **Investor Correspondence** –  
Mr. Vijayakumar M, Executive Director  
California Software Company Limited  
Workflo, Greeta Towers, Industrial Estate, Perungudi OMR Phase 1, Chennai – 600096  
Email: [investors@calsoftgroup.com](mailto:investors@calsoftgroup.com)
- **Demat/Unclaimed Suspense Account** – Nil

# Declaration on Compliance with Code of Conduct

This is to confirm that the Company has adopted a Code of Conduct for its Board Members and Senior Management Personnel. The Code is available on the Company's website: [www.calsofts.com](http://www.calsofts.com).

I hereby declare that all Board Members and Senior Management have affirmed compliance with the Code for the year ended March 31, 2025.

For California Software Company Limited

**Mahalingam Vasudevan**  
Managing Director & CEO  
DIN: 01608150

Place: Chennai  
Date: September 5, 2025

**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, 2025, received from its Board members and senior management personnel affirmation of compliance with the Code of Conduct.

**For CALIFORNIA SOFTWARE COMPANY LIMITED**

**Mahalingam Vasudevan**  
Managing Director

Place: Chennai  
Date: Sep 5, 2025



## Certificate by the Chief Executive Officer (CEO) and Chief Financial Officer (CFO)

Pursuant to Part B of Schedule II read with Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To  
The Members  
California Software Company Limited

Dear Members of the Board,

In compliance with the above regulations, we, the undersigned, hereby certify that:

1. We have reviewed the financial statements and the cash flow statement of the Company for the year ended **March 31, 2025**, and to the best of our knowledge and belief:
  - (i) These statements do not contain any materially untrue statement or omit any material fact, nor do they contain statements that might be misleading.
  - (ii) These statements present a true and fair view of the Company's affairs and are in compliance with the applicable accounting standards, 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 adequate internal controls for financial reporting and have evaluated the effectiveness of such internal control systems of the Company. No reportable deficiencies in the design or operation of internal controls have come to our attention.
4. We have indicated to the Auditors and the Audit Committee:
  - (i) that there have been no significant changes in internal control over financial reporting during the year;
  - (ii) that there have been no significant changes in accounting policies during the year; and
  - (iii) that no instance of significant fraud of which we are aware has occurred during the year.

For California Software Company Limited

Dr. Vasudevan Mahalingam  
Chief Executive Officer & Managing Director

Dr. Manimala Vasudevan  
Whole-time Director & Chief Financial Officer

Place: Chennai  
Date: September 05, 2025

Suite No. 103, First Floor, Kaveri Complex  
No. 96/104, Nungambakkam High Road  
(Next to NABARD & ICICI Bank)  
Nungambakkam, Chennai - 600 034  
Phone No. 044 - 4553 0256  
4553 0257 / 4265 2127  
E-mail: csdhanapal@gmail.com  
secretarial@csdhanapal.com  
website: www.csdhanapal.com

## **S Dhanapal & Associates LLP**

### **Practising Company Secretaries**

**Designated Partners :**

S. Dhanapal, B.Com., B.A.B.L., F.C.S  
N. Ramanathan, B.Com., F.C.S  
Smita Chirimar, M.Com., F.C.S, DCG(ICSI)

LLPIN ACB - 0368  
(Regd. with Limited Liability Under the LLP Act, 2008)

### **CERTIFICATE ON CORPORATE GOVERNANCE TO THE** **MEMBERS OF CALIFORNIA SOFTWARE COMPANY LIMITED**

We have examined the compliance of conditions of Corporate Governance by **M/s. CALIFORNIA SOFTWARE COMPANY LIMITED** ("the Company") for the year ended 31st March, 2025 as stipulated in Regulations 17 to 27 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").

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementations thereof adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and Management, we certify that the Company has complied with the conditions of Corporate Governance stipulated in Regulations 17 to 27 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 **1<sup>st</sup> April, 2024 to 31<sup>st</sup> March, 2025**.

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

**For S DHANAPAL & ASSOCIATES LLP**  
**(Practicing Company Secretaries)**

Place: Chennai  
Date: 05.09.2025



  
**RAMANATHAN NACHIAPPAN**  
(Designated Partner)  
Membership No.F6665  
COP No.11084  
UDIN: F006665G001152361





# STANDALONE FINANCIALS



# INDEPENDENT AUDITOR'S REPORT

## TO THE MEMBERS OF CALIFORNIA SOFTWARE COMPANY LIMITED

### Report on the Audit of the Standalone Financial Statements

#### Qualified Opinion

We have audited the accompanying standalone financial statements of **California Software Company Limited** ("the company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of significant accounting policies and other explanatory information (herein referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified section of our report, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the company as at 31<sup>st</sup> March 2025, its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Qualified Opinion

- 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.*
- 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.*
- Balances appearing in Trade receivable amounting to Rs.1,840.11 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.*
- The Company has not disclosed the ageing schedule of Trade Payables as required under Schedule III of the Companies Act, 2013. Consequently, we were unable to verify the classification and presentation of such balances in accordance with the said requirements.*
- The Company has not disclosed the details of contingent liabilities in its Standalone Financial Statements, as required under Schedule III of the Companies Act, 2013 and Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets". In the absence of such disclosure, we are unable to comment upon the possible impact, if any, on the Standalone Financial Statements arising out of such non-disclosure.*

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the standalone Financial Statements* 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 (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical

responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters	Auditor's Response
<p>Revenue recognition</p> <p>Accuracy of recognition, measurement, presentation and disclosure of revenue and related balances towards Ind AS 115- Revenue from contracts with customers.</p> <p>The application of this standard involves the assessment towards identification of performance obligation, determination of transaction price for each of the identified performance obligations, the judgements used in determining the satisfaction of those performance obligations over time or at a point in time.</p> <p>The company revenue from contracts mainly includes software development services, business process outsourcing services and IT Infrastructure services.</p>	<p>Our audit procedure involves the identification of internal controls and their operating effectiveness towards application of this standard. We have also carried out substantive testing of the transactions.</p> <ol style="list-style-type: none"><li>1. We have assessed the appropriateness of the revenue recognition policies by comparing with the applicable Indian Accounting Standards.</li><li>2. Selected the samples of continuing contracts as well as new contracts and identified the performance obligations and compared the same with the performance obligation identified by the company.</li><li>3. Verified the basis of allocation of transaction price to the identified performance obligation if not specifically mentioned in the contract.</li><li>4. Identified the basis to be considered to determine the satisfaction of performance obligation and compared the same with the judgements used by the company in determining the satisfaction of performance obligation over the time or at a point in time.</li><li>5. Verified the appropriate evidence considered for determining the satisfaction of performance obligation towards transfer of promised goods or services.</li><li>6. Verified the judgements used by the company in determining the stages of completion of the contracts where the satisfaction of entire performance obligation is partially completed.</li><li>7. Verified the process towards identification of contracts where the right to consideration is unconditional and is due only after passage of time.</li></ol>

# Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis; Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the standalone Financial Statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of Management and Those Charged with governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and the cash flows of the company in accordance with Indian Accounting Standards and other accounting principles generally accepted in India. 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone financial statements, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

## Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements 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 statements.

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 standalone financial statements, 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place with reference to standalone financial statements and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's 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 standalone financial statements 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 statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of section 143(11) of the Act, we give in the "Annexure B", a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, subject to the matters described in the basis of qualified opinion paragraph, proper books of account as required by law have been kept by the company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including the Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of accounts.
  - d) In our opinion, subject to the matters described in the basis of qualified opinion paragraph, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) The matter described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Company
  - f) On the basis of written representations received from the directors as on 31<sup>st</sup> March 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2025 from being appointed as a director in terms of Section 164(2) of the Act.
  - g) The qualification relating to the maintenance of accounts and other matters connected therewith are

as stated in the Basis for Qualified Opinion paragraph above

- h) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses a modified opinion on the adequacy and operating effectiveness of the company's internal financial controls with reference to standalone financial statements.
- i) With respect to the other matters to be included in the Auditor's Report in accordance with the requirement of Section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of Section 197 of the Companies Act, 2013.

- a) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has not disclosed the pending litigations on its financial position in its standalone financial statements as at 31<sup>st</sup> March 2025.
  - ii. The Company Subject to the matters described in the basis of qualified opinion paragraph, has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts to the standalone financial statements. The Company does not have any derivative contracts.
  - iii. There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company.
- (a) The management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- i. As stated in the standalone financial statements;
  - a) The Company has not declared any dividend during the previous year.
  - b) The company has not declared and paid interim dividend during the year.
  - c) The Board of Directors of the Company have not proposed final dividend for the year 31/03/2025
- ii. The Company is maintaining its books of account in electronic mode. However, the edit log / audit trail feature has not been enabled in the accounting software as of the reporting date. Hence, the statutory requirement relating to preservation of audit trail has not been complied with.

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

**CA MADAN GOPAL NARAYANAN**  
Partner  
Membership No. 211784

**UDIN: 25211784BMIIRN2060**

Place: Chennai  
Date: 30/05/2025



# Annexure A to the Independent Auditors' report

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of California Software Company Limited of even date)

## Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of **California Software Company Limited** ("the Company") as of 31<sup>st</sup> March 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

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

### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by the Institute of Chartered Accountants of India and prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements were established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls systems with reference to standalone financial statements.

### Meaning of Internal Financial Controls with Reference to Standalone Financial Statements

A company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to standalone financial statements includes those policies and procedures that:

- 1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.
- 2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- 3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

## Inherent Limitations of Internal Financial Controls with Reference to Standalone Financial Statements

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

### Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at March 31, 2025:

- a) *The board of the company has not established an independent monitoring mechanism in respect of Quality control aspects in accounting, compliance, Internal audit and in publication of Annual reports.*
- b) *The company did not have any internal control to make timely statutory compliances such as TDS, GST etc.,*
- c) *The company did not have a regular internal finance team to overview the accounting and other statutory compliances.*
- d) *The company did not have an internal control to have an effective monitoring of creditor payment system and debtor collection system.*
- e) *The company does not have any internal risk control matrix to identify the risk areas impacting the financial statement, the impact of this material weakness could not be assessed.*

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2025 standalone financial statements of the Company, and these material weaknesses have been considered for forming our opinion on the standalone financial statements of the Company.

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone financial statements and such internal financial controls were operating effectively as at 31st March 2025, based on the internal financial control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

**CA MADAN GOPAL**  
**NARAYANAN**  
Partner  
Membership No. 211784

**UDIN:**  
**25211784BMIIRN2060**

Place: Chennai  
Date: 30/05/2025



## Annexure B to the Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our audit report to the Members of California Software Company Limited of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
  - a. (A) The Company has not maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.  
(B) The Company has not maintained proper records showing full particulars of intangible assets.
  - b. Management has not provided any document evidencing the physical verification of Property, Plant and Equipment. Hence we are unable to comment on any discrepancies.
  - c. According to the information and explanations given to us, the records examined by us based on the examination of the deeds provided to us, the company does not own any immovable property. Hence this clause is not applicable.
  - d. The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) or intangible assets during the year.
  - e. According to the information and explanation given to us, no proceedings have been initiated during the year or are pending against the Company as at 31<sup>st</sup> March 2025 for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) Since the company is involved in the business of providing software and its related services, physical verification of inventory does not arise. Hence this clause is not applicable.  
  
(b) According to the information and explanations given to us and on the basis of our examination of records of the company, the company does not have working capital facility from any financial institution during the year; hence this clause is not applicable.

The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited liability Partnerships (LLPs) or any other parties during the year. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the company.

- i. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- ii. In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- iii. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause 3(vi) of the order is not applicable to the Company.
- iv. In respect of statutory dues:
  - a) In our opinion, subject to the matters described in the basis of qualified opinion paragraph and except the TDS default details given below, the Company has generally been regular in depositing undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income Tax, Duty of Customs, Cess and other statutory dues applicable to it with the appropriate authorities. There were no undisputed

amounts payable in respect of Provident Fund, Employees’ State Insurance, Income Tax, Goods and Services Tax, Customs Duty, Cess and other statutory dues in arrears as at 31<sup>st</sup> March 2025 for a period of more than six months from the date they became payable.

Sr. No	Financial Year	Total Default (in Rupees)
1.	Prior Years	3,33,575.00
2.	2021-2022	15,187.00
3.	2022-2023	17,865.00
4.	2023-2024	4,267.00
Total		3,70,894.00

- b) As per the information provided by the company, the following are the details of statutory dues pending to be deposited on account of dispute.

Name of the Statute	Nature of the Dues	Amount(Rs.)	Period to which the amount relates	Forum where dispute is pending	Proceeding under Sections
Income Tax ACT	Income Tax Due	62,20,893	2004-2005	CIT Appeal	143(3)
Income Tax ACT	Income Tax Due	12,380	2006-2007	CIT Appeal	143(3)
Income Tax ACT	Income Tax Due	19,58,868	2007-2008	CIT Appeal	143(3)
Income Tax ACT	Income Tax Due	176,77,960	2007-2008	CIT Appeal	254
Income Tax ACT	Income Tax Due	53,20,670	2008-2009	CIT Appeal	154
Income Tax ACT	Income Tax Due	37,86,310	2009-2010	CIT Appeal	143(3)
Income Tax ACT	Income Tax Due	25,44,460	2010-2011	CIT Appeal	154
Income Tax ACT	Income Tax Due	486,78,090	2011-2012	CIT Appeal	143(3)
Income Tax ACT	Income Tax Due	303,61,050	2013-2014	CIT Appeal	143(3)
Income Tax ACT	Income Tax Due	5,17,090	2019-2020	-	143(1)(a)
Income Tax ACT	Income Tax Due	66,93,500	2016-2017	CIT Appeal	147
Income Tax ACT	Income Tax Due	69,59,360	2014-2015	CIT Appeal	271(1)(c)
Income Tax ACT	Income Tax Due	172,58,430	2022-2023	-	143(1)(a)
Income Tax ACT	Income Tax Due	14,29,090	2023-2024	-	143(1)(a)
Income Tax ACT	Income Tax Due	54,02,248	2016-2017	CIT Appeal	271(1)(c)
<b>LITIGATIONS INVOLVING SUBSIDIARY COMPANY</b>					
Income Tax ACT	Income Tax Due	37,568	2009-2010	-	143(1)(a)
Income Tax ACT	Income Tax Due	6,105	2009-2010	-	153_WE

- i. According to the information and explanation given and records provided to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. According to the information and explanation given to us, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

According to the information and explanation given and records provided to us, the Company has not been declared as a willful defaulter by any bank or financial institution or other lender.

In our opinion and according to information and explanations given to us, the company does not have any term loan facility from any financial institution during the year. Hence reporting under this clause is not applicable.

(b) According to the information and explanation given and records provided to us and the procedure performed by us, and on an overall examination of the standalone financial statements of the company, we report that the funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes of the company.

(c) According to the information and explanation given and records provided to us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, joint ventures or associate companies.

(d) According to the information and explanation given and records provided to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies and hence reporting under clause 3(ix)(f) of the Order is not applicable.

- i. (a) According to the information and explanation given and records provided to us, the company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year. Hence reporting under this clause is not applicable.

(b) According to the information and explanation given and records provided to us the Company has issued further share capital by way of **preferential allotment** during the year. We have verified the process of allotment and noted that the provisions of Section 62 of the Companies Act, 2013 and the applicable rules relating to preferential issue have been **generally complied with** by the Company. And the funds so raised have been utilized for the purpose for which they were raised.

- ii. (a) In our opinion and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year and up to the date of this report.

- iii. The Company is not a Nidhi Company. Hence reporting under clause 3(xii) of the Order is not applicable to the Company.

- iv. In our opinion, the Company is in compliance with Section 177 and 188 of Companies Act, 2013, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

- v. The company does not have an internal audit system commensurate with the size and nature of its business.

- vi. In our opinion the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. Hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

- vii. (a) In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

(b) Based on our audit procedures and according to the information and explanations given to us the company has not conducted any Non-Banking Financial or Housing Finance activities. Hence reporting under this clause is not applicable.

(c) The company is not a Core investment company and as per the information and explanation provided by the company there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

- viii. The Company has not incurred cash losses during the financial year and in the immediately preceding financial year.



- ix. There has been no resignation of statutory auditor during the year hence this clause is not applicable.
- x. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xi. The company does not meet the criteria specified in section 135 of the Act. Hence comment on this clause is not applicable.
- xii. This clause is not applicable for Standalone Financial Statement.

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

**CA MADAN GOPAL NARAYANAN**  
**Partner**  
Place: Chennai  
Date: 30/05/2025

Membership No: 211784  
**UDIN: 25211784BMII RN2060**

California Software Company Limited			
Standalone Balance sheet as on March 31, 2025			in (Lakhs)
Particulars	Note no.	As at March 31, 2025	As at March 31, 2024
<b>I. Assets</b>			
1. Non-current assets			
a) Property, plant and equipment	1	2,24,74,228	2,81,44,245
b) Financial assets			
(i) Investments	2	3,11,37,969	3,11,37,969
c) Deferred tax asset		14,24,742	12,46,737
<b>Total non-current assets</b>		<b>5,50,36,939</b>	<b>6,05,28,951</b>
<b>2. Current assets</b>			
a) Inventories			
a) Financial assets			
(i) Trade receivables	3	18,40,11,246	14,65,35,243
(ii) Cash and cash equivalents	4	2,02,72,021	2,90,040
(iii) Bank balances other than (ii) above		1,03,172	1,03,172
(iv) Other Financial Assets		24,40,757	6,58,457
b) Current tax asset (net)		3,80,02,148	3,80,02,148
c) Other current assets	5	50,77,359	39,01,696
<b>Total current assets</b>		<b>24,99,06,703</b>	<b>18,94,90,756</b>
<b>Total assets</b>		<b>30,49,43,643</b>	<b>25,00,19,708</b>
<b>II. Equity and Liabilities</b>			
<b>Equity</b>			
a) Equity share capital	6	27,04,99,355	15,45,71,060
b) Other equity		58,36,566	-13,08,971
<b>Total equity</b>		<b>27,63,35,921</b>	<b>15,32,62,089</b>
<b>Liabilities</b>			
<b>1. Non-current liabilities</b>			
a) Deferred Tax Liabilities	7		
<b>Total non-current liabilities</b>			
<b>2. Current liabilities</b>			
a) Financial liabilities			
(i) Borrowings	8	80,21,920	8,31,40,440
(ii) Trade payables	9	47,11,817	40,79,710
(iii) Other financial liabilities		1,03,172	1,03,172
b) Other current liabilities	10	1,57,70,813	94,34,297
Liabilities directly associated with assets classified as held for sale			
<b>Total current liabilities</b>		<b>2,86,07,722</b>	<b>9,67,57,619</b>
<b>Total liabilities</b>		<b>2,86,07,722</b>	<b>9,67,57,619</b>
<b>Total equity and liabilities</b>		<b>30,49,43,643</b>	<b>25,00,19,708</b>
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	Dr. M. Vasudevan, Managing Director		
Madan Gopal Narayanan	M. Vijayakumar , Director	Place: Chennai	
		Date:	
Membership No. 211784, Partner		30/05/2025	

California Software Company Limited				
Standalone Statement of Profit and Loss for the year ended March 31, 2025				
			in (Lakhs)	
S. No	Particulars	Note no	For the year ended March 31, 2025	For the year ended March 31, 2024
I	Revenue from operations	11	54463769.14	42803176.07
II	Other income, net	12	0	0
III	<b>Total income</b>		<b>54463769.14</b>	<b>42803176.07</b>
IV	Expenses			
	Employee benefit expense	13	24354654	18323342
	expense	14	5670017.464	7161554.3
	Other expenses	15	14455551.88	8825724.1
	<b>Total expenses</b>		<b>44480223.34</b>	<b>34310620.4</b>
V	Profit before exceptional items		9983545.796	8492555.67
VI	Exceptional items		0	0
VII	<b>Profit before tax</b>		<b>9983545.796</b>	<b>8492555.67</b>
VIII	Tax expense			
	(i) Current tax		2967887.87	2584600
	(ii) Deferred tax		-178005	-328395.3358
IX	<b>Profit for the period</b>		<b>7193662.926</b>	<b>6236351.006</b>
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	<b>Total Comprehensive Income for the period</b>		<b>7193662.926</b>	<b>6236351.006</b>
XII	Earnings per equity share			
	Equity shares of par value Rs. 10 each			
	Basic		0.1163488	0.403461748
	Diluted		0.1163488	0.403461748
	Numbers of shares			
	<b>Basic</b>		<b>61828424</b>	<b>15457106</b>
	<b>Diluted</b>		<b>61828424</b>	<b>15457106</b>
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		Dr. M. Vasudevan, Managing Director		
Madan Gopal Narayanan		M. Vijayakumar , Director		Place: Chennai
Membership No. 211784, Partner				Date: 30/05/2025



California Software Company Limited		
Standalone Cash flow statement for the year ended March 31, 2025		
		in (Lakhs)
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Cash flow from operating activities		
Profit before tax	9983545.796	8492555.67
Adjustments for:		
Depreciation and amortisation expense	5670017.464	7161554.3
Operating profit before working capital changes	15653563.26	15654109.97
Changes in working capital:		
Decrease/(Increase) in trade receivables	-37476002.67	24828074.08
Increase/(Decrease) in trade payables	632106.68	557060.64
Increase/(Decrease) in Other current liabilities	6336516.45	1491455.89
Increase/(Decrease) in Other current financial liabilities	0	-59500000
Decrease/(Increase) in Other current assets	-1175663.01	-836418.99
Decrease/(Increase) in other current financial asset	-1782300	833020.84
Cash generated from operations	-33465342.55	-32626807.54
Taxes Paid	2967887.87	2536474
Net cash generated from operating activities	-20779667.16	-19509171.57
Cash flows from investing activities		
Payments for property, plant and equipment	0	0
Net cash outflow from investing activities	0	0
Cash flows from financing activities		
Proceeds from borrowings	7370645	19484197.14
Proceeds from Rights Issue	33494175	0
Dividend on OCRPS	0	0
Net cash inflow from financing activities	40864820	19484197.14
Net increase (decrease) in cash and cash equivalents	20085152.84	-24974.43
Cash and cash equivalents at the beginning of the financial year	290041	314959.3
Cash and cash equivalents at end of the year	20375193.84	289984.87
The accompanying notes form an integral part of these standalone financial		
As per our report of even date attached		
For K.Gopal Rao & Co	For and on behalf of the Board of	
Chartered Accountants,	Dr. M. Vasudevan, Managing Director	
Firm Registration No. 0009568		
Madan Gopal Narayanan	M. Vijayakumar , Director	
Membership No. 211784, Partner	Place: Chennai	Date: 30/05/2025

Fig 3. Statement of Changes in Equity for the year ended March 31, 2024											
Particulars	Equity share capital	Other equity							Total	Total equity attributable to equity holders of the Company	
		Reserves									
		Reserves	Retained earnings	General reserve	Optionally Convertible Redeemable Preference Shares	Capital reserve	Capital business transfer adjustment reserve	Other equity instruments through other comprehensive income / loss			
Balance as at April 1, 2023	1545.71	9490.57	-10269.08	658.64	41.87	2.06	.00	.00	.00	-75.94	1470.13
Changes in equity for the year ended March 31, 2024		.00	.00	.00		.00	.00	.00	.00	.00	.00
Profit for the year	.00	.00	62.85	.00		.00	.00	.00	.00	62.85	62.85
Transfer to general reserve	.00	.00	.00	.00		.00	.00	.00	.00	.00	.00
Dividends	.00	.00	.00	.00		.00	.00	.00	.00	.00	.00
Balance as at March 31, 2024	1545.71	9490.57	-10206.23	658.64	41.87	2.06	.00	.00	.00	-13.09	1532.98

Statement of Changes in Equity for the year ended March 31, 2025											
Particulars	Equity share capital	Other equity							Total equity attributable to equity holders		
		Securities premium	Retained earnings	General reserve	Optionally Convertible Redeemable Preference Shares	Capital reserve	Capital business transfer adjustment reserve	Equity instruments through other comprehensive income	Effective portion of cash flow hedges	Other items of other comprehensive income / (loss)	
Balance as at April 1, 2024	1545.71	9490.57	-10206.72	658.64	41.87	2.06	.00	.00	.00	-13.57	1470.13
Changes in equity for the year ended March 31, 2025	1159.28	.00	.00	.00		.00	.00	.00	.00	.00	1159.28
Profit for the year	.00	.00	71.94	.00		.00	.00	.00	.00	71.94	71.94
Transfer to general reserve	.00	.00	.00	.00		.00	.00	.00	.00	.00	.00
Dividends	.00	.00	.00	.00		.00	.00	.00	.00	.00	.00
Balance as at March 31, 2025	2704.99	9490.57	-10134.78	658.64	41.87	2.06	.00	.00	.00	58.37	2701.35

California Software Company Limited		
Notes to Standalone Financial Statements for the year ended March 31, 2025		
<b>Note 1: Property, plant and equipment</b>		
Particulars		Total
Gross carrying value as at April 1, 2024	28144245.1	28144245.1
Additions		
Deletions		
<b>Gross carrying value as at March 31, 2025</b>	<b>28144245.1</b>	<b>28144245.1</b>
Accumulated depreciation as on April 1, 2024		
Depreciation	5670017.464	5670017.464
Accumulated depreciation as on delitions		
<b>Accumulated depreciation as on March 31, 2025</b>	<b>5670017.464</b>	<b>5670017.46</b>
<b>Carrying value as at March 31, 2025</b>	<b>22474227.63</b>	<b>22474227.6</b>
<b>Note: 2 Investments and assets held for sale</b>		
Particulars	As at March 31, 2025	As at March 31, 2024
Non Current Investments		
Investment in Equity instruments of subsidiaries	31137969	31137969
<b>Total carrying value</b>	<b>31137969</b>	<b>31137969</b>
Non-current		
Unquoted		
Investment carried at cost		
<b>Investment in equity instruments of subsidiaries</b>	<b>31137969</b>	<b>31137969</b>
Aspire communication, Mysore, India		
20,00,000 (20,00,000) equity shares, fully paid up	31137969	31137969
<b>Note: 3 Trade receivable</b>		
Particulars	As at March 31, 2025	As at March 31, 2024
Current		
Trade receivables	184011245.8	146535243.2
Unsecured, Considered good		
<b>Total trade receivables</b>	<b>184011245.8</b>	<b>146535243</b>
(1) Includes dues from companies where directors are interested		



<b>Note: 4 Cash and cash equivalents</b>		
<b>Particulars</b>	<b>As at March 31, 2025</b>	<b>As at March 31, 2024</b>
Balances with Banks	20223696.9	241715.59
In current and deposit accounts		
Cash on hand	48324.56	48324.56
	<b>20272021.46</b>	<b>290040.15</b>
Bank balances other than above		
Balances with banks- Unpaid dividend accounts	103172	103172
*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.		
<b>Note: 5 Other current assets</b>		
<b>Particulars</b>	<b>As at March 31, 2025</b>	<b>As at March 31, 2024</b>
Advance- Others		
GST Input Tax Credit	5077359	3901695.99
	5077359	3901695.99
<b>Note: 5 Other current financial assets</b>		
Other Loans and advances	1519557.37	237257.37
Rental Advance	421199.79	421199.79
Advance for Car	500000	
	<b>2440757.16</b>	<b>658457.16</b>

<b>Note: 6 Equity</b>		
Particulars	As at March 31, 2025	As at March 31, 2024
Authorised Capital		
17,10,00,000 Equity Shares of Rs.10/- each with equal voting rights	1710000000	2100000000
40,00,000 Preference Shares of Rs.10/- each with equal voting rights	400000000	400000000
	<b>1750000000</b>	<b>2500000000</b>
Issued, Subscribed and paid up		
1,54,57,106 Equity Shares of Rs.10/- each with equal voting rights	154571060	154571060
4,18,700 Optionally Convertible Redeemable Preference Shares(OCRPS) at Rs.10	4187000	4187000
4,63,71,318 Equity Shares of Rs.10/- each of which Rs. 2.5 called and Rs. 7.5 uncalled	115928295	
	<b>274686355</b>	<b>158758060</b>
(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, 2025	As at March 31, 2024
Shareholders holding more than 5% of total shares		
Vasudevan M	3,84,96,620 62.26%	55,22,972 35.73%
Chemoil		17,46,533 11.27%
Closing Balance	<b>3,84,96,620 62.26%</b>	<b>72,69,505 47.00%</b>
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, 2025	As at March 31, 2024
At the beginning of the period	15875806	15875806
Add : Shares issued	46371318	0
Less : Shares bought back	0	0
At the end of the period	<b>62247124</b>	<b>15875806</b>

<b>Note: 8 Financial liabilities</b>		
Particulars	As at March 31, 2025	As at March 31, 2024
Loan from Directors	8021920.14	83140440.14
<b>Total</b>	<b>8021920.14</b>	<b>83140440.1</b>
<b>Note: 9 Trade payables</b>		
Particulars	As at March 31, 2025	As at March 31, 2024
Trade payables	4711816.58	4079709.9
<b>Total</b>	<b>4711816.58</b>	<b>4079709.9</b>
<b>Note: 9 Other financial liabilities</b>		
Particulars	As at March 31, 2025	As at March 31, 2024
Liability towards capital goods		0
Unpaid dividends	103172	103172
Other Advances		0
<b>Total</b>	<b>103172</b>	<b>103172</b>
<b>Note: 10 Other current liabilities</b>		
Particulars	As at March 31, 2025	As at March 31, 2024
Statutory liabilities	8997969.19	5456702.19
Audit Expenses Payable	520958	650457.6
Gratuity Payable	135277.6	135277.6
Provision for Dividend on OCRPS	35685	35685
Other Current Liabilities	70079	70079
Employee Benefit Expenses	6010844.55	3086095.5
<b>Total</b>	<b>15770813.34</b>	<b>9434296.89</b>

# 1. Corporate Information

California Software Company Limited (CIN: L72300TN1992PLC022135) was incorporated on **6th June 1992** under the provisions of the Companies Act and is registered with the Registrar of Companies, Chennai, Tamil Nadu. The Company’s equity shares are listed on the **Bombay Stock Exchange (BSE)** and the **National Stock Exchange (NSE)**.

The registered office of the Company is situated at: **Workflo, Greeta Towers, Industrial Estate, Perungudi, OMR Phase 1, Chennai – 600096.**

## Business Overview

Over the last three decades, the Company has transitioned from a traditional IT services enterprise into a **multi-product SaaS provider**, delivering digital transformation for SMEs and enterprises. The business model now emphasizes **AI, automation, and customer engagement**, ensuring seamless integration of commerce, communication, and intelligence.

## Product Ecosystem

The Company has developed and commercialized a suite of integrated SaaS platforms:

- **dSpeedUp** – AI-enabled e-commerce and marketplace solution that enables businesses to launch, scale, and optimize digital stores with predictive insights.
- **dBotMinds** – AI-powered conversational commerce and chatbot engine for WhatsApp, web, and voice automation, covering lead capture, sales enablement, and customer support.
- **dUltima** – Modular **super-app ecosystem** integrating e-commerce, payments, logistics, loyalty, and personalized recommendations.
- **dRyZe CRM** – End-to-end customer lifecycle management platform with AI-driven sales automation, marketing intelligence, service workflows, and real-time analytics.

These products function as a **unified SaaS ecosystem**, empowering businesses to thrive in a digital-first economy.

## Strategic Direction

Aligned with the theme “*Empowering Tomorrow with Today’s Innovations*”, the Company continues to:

- **Leverage AI-first architecture** to automate decision-making and engagement.
- **Provide affordable and scalable SaaS solutions** tailored for SMEs and microbusinesses.
- **Strengthen governance and compliance**, adhering to SEBI (LODR) Regulations, 2015.
- **Focus on sustainable growth** through digital inclusion and empowerment of small businesses.

The standalone financial statements were reviewed by the **Audit Committee** and approved by the **Board of Directors** at their meeting held on **May 30, 2025**.

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# 2. Significant Accounting Policies

## 2.1 Basis of Preparation of Financial Statements

The financial statements are prepared in accordance with **Indian Accounting Standards (Ind AS)** notified under the Companies (Indian Accounting Standards) Rules, 2015, read with amendments, as applicable under Section 133 of the Companies Act, 2013.

- Prepared on a **historical cost basis**, except certain financial instruments measured at fair value.



- Assets and liabilities classified as **current** or **non-current** based on operating cycle and realization/settlement expectations.
- Deferred tax assets/liabilities are always classified as **non-current**.
- The Company's **operating cycle** is **12 months**.

## 2.2 Use of Estimates

Preparation requires management judgment, estimates, and assumptions that affect reported assets, liabilities, income, and expenses. Key areas include:

- Revenue recognition on SaaS contracts.
- Useful life and capitalization of internally developed software.
- Impairment of intangible assets.
- Provisions for doubtful receivables.

Actual results may differ. Changes in estimates are accounted for prospectively.

## 2.3 Property, Plant and Equipment (PPE)

- Carried at **cost less accumulated depreciation** and impairment.
- Cost includes purchase price, duties, and directly attributable expenses.
- Major improvements are capitalized; routine maintenance is expensed.
- Derecognized upon disposal or when no economic benefits remain.
- Gains/losses on disposal recognized in the Statement of Profit & Loss.

## 2.4 Depreciation

Depreciation is on **Straight-Line Method (SLM)** as per Schedule II of the Companies Act, 2013.

Sl. No.	Asset Category	Useful Life
1	Buildings	30 years
2	Plant & Machinery	13 years
3	Computers	3 years
4	Vehicles	10 years
5	Furniture & Fixtures	10 years

## 2.5 Intangible Assets & Amortization

- Includes internally developed SaaS products (**dSpeedUp, dBotMinds, dUltima, dRyZe CRM**) and acquired licenses.
- Carried at **cost less amortization and impairment**.
- Amortized over **3–5 years**, aligned to SaaS industry product lifecycles.
- Reviewed periodically for impairment triggers.

## 2.6 Impairment of Assets

- Assets reviewed annually for indicators of impairment.
- Impairment recognized when carrying value > recoverable amount (higher of fair value less cost to sell or value in use).

- Reversals allowed only to the extent that carrying value does not exceed depreciated cost had no impairment been recognized.

## 2.7 Inventory

The Company is engaged in SaaS-based services and does not deal in physical goods. Hence, Ind AS 2 – Inventories is not applicable.

## 2.8 Cash and Cash Equivalents

Includes cash in hand, demand deposits, and short-term liquid investments with maturities up to three months.

## 2.9 Cash Flow Statement

Prepared using the Indirect Method. Operating, investing, and financing activities are presented separately.

## 2.10 Revenue Recognition

Revenue is recognized under Ind AS 115:

- Subscriptions – over the subscription period.
- Implementation & setup fees – upon completion of obligations.
- Transaction-linked revenue – on transaction completion.
- Custom services – on percentage-of-completion basis.

Revenue excludes GST and similar taxes collected.

## 2.11 Employee Benefits

- Provident Fund – defined contribution plan, expensed when incurred.
- Gratuity & Leave Encashment – recognized based on actuarial valuation.
- ESOPs (if applicable) – fair value recognized over vesting period.

## 2.12 Taxation

- Current tax based on enacted tax laws.
- Deferred tax recognized on temporary differences using balance sheet approach.
- Deferred tax assets recognized when future taxable profits are probable.

## 2.13 Earnings Per Share (EPS)

- Basic EPS – net profit attributable to equity shareholders ÷ weighted average shares.
- Diluted EPS – adjusted for potential dilutive shares.

## 2.14 Foreign Currency Transactions

- Transactions recorded at transaction-date rates.
- Monetary items revalued at closing rates.
- Exchange differences recognized in Profit & Loss.

## 2.15 Borrowing Costs

- Capitalized if directly attributable to qualifying assets.
- Otherwise expensed in the period incurred.

## 2.16 Events after the Reporting Period

Evaluated for adjustments/disclosure. No material events occurred post March 31, 2025.

## 2.17 Audit Trail Feature

MCA has mandated use of accounting software with **audit trail** from April 1, 2023. The Company uses **Tally Prime**.

- Due to technical issues, the audit trail module was not functional in FY 2024–25.
- Books are properly maintained with supporting evidence.
- Management is working to activate this feature at the earliest.

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## 3. Trade Payable Aging Schedule

As on March 31, 2025, the Company has no outstanding trade payables.

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## 4. Dividend Disclosure

The Company has not declared or paid dividends in the last five years. The Board has resolved to conserve resources until operations and profitability stabilize. Dividend distribution will be considered thereafter.

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## 5. Compliance with Benami Transactions Act

The Company confirms no benami transactions were undertaken during FY 2024–25.

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## 6. Utilization of Proceeds from Rights Issue

The Company raised ₹46.37 crores via Rights Issue of partly paid-up equity shares. As of March 31, 2025, ₹11.59 crores (25%) has been collected.

Particulars	Amount (₹ in Crores)
Repayment of Promoter Loan	8.25
Rights Issue expenses & working capital	1.25
Balance held in current account	2.09
<b>Total</b>	<b>11.59</b>

The utilization is consistent with the objectives stated in the Letter of Offer.

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## 7. Promoter Shareholding

As of March 31, 2025, the promoters hold 62.26% of the Company's paid-up equity share capital.

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## 8. Trade Receivables Aging

As on March 31, 2025, the Company's receivables stood at ₹18.00 crores, comprising:

- ₹5.00 crores outstanding for **less than 180 days**, and
- ₹13.00 crores outstanding for **more than 180 days**.

The management is actively pursuing recovery of long-outstanding dues.

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## 9. Segment Information

In compliance with Ind AS 108, the Company has identified a single reportable segment – Software Development and Services.

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## 10. Contingent Liabilities

The Company has no contingent liabilities as on March 31, 2025.

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<b>Note: 11 Revenue from operations</b>		
<b>Particulars</b>	<b>As at March 31, 2025</b>	<b>As at March 31, 2024</b>
Sale of Services	54463769.14	42803176.07
<b>Total</b>	<b>54463769.14</b>	<b>42803176.1</b>
<b>Note: 12 Other Income</b>		
UPI ID TESTING		
Foreign exchange gain		
<b>Total</b>		
<b>Note: 13 Employee benefits expense</b>		
Salary Expenses	23410561	17867781
Staff welfare expenses	944093	455561
<b>Total</b>	<b>24354654</b>	<b>18323342</b>
<b>Note: 14 Depreciation and Amortisation</b>		
Depreciation & Amortisation	5670017.464	7161554.3
<b>Total</b>	<b>5670017.464</b>	<b>7161554.3</b>
<b>Note: 15 Other Expenses</b>		
Maintenance expenses		
Rent - Office	1910000	2336939.64
Communication expenses		38635
Listing fees	2683688.85	
Travel Expenses		11099.47
Bad debts written off		
Audit Fee	600000	450000
Secretarial & Professional Fees		806871.97
Foreign Exchange Loss		
Share Maintenance Charges		
ROC Fees	40108.26	101508.26
Server Rental expenses	35738.93	
Depository Charges	834218.76	488458.72
Other Expenses	7082367.61	783829.95
Advertisement	7500	33508
Bank Charges	60543.78	9286.92
Rates and Taxes	14608.43	114190.33
Administration Expenses		
Website and Domain Charges	20000	73270.81
Issuer Fees		90244
Rental Charges	109994	145988
Payment Gateway Charges	304	7758.88
Repair and Maintenance		6431
E-Voting		9616
Digital Media Expenses	843057.15	2805915.22
Software Expense	22854.11	6500
Storage Expenses		5563.8
Subscription Charges		2394
Custodian Fees		57197.8
CRM Recharge		3245
Corporate Tax		2420
Consumables		415555.72
Postage & Courier		6500
Miscellaneous Expenses		848.61
Naukri Expenses		1947
Commission Expenses		10000
Penalty Paid	190568	
<b>Total</b>	<b>14455551.88</b>	<b>8825724.1</b>

16	Earnings per share (EPS)			
	Basic and Diluted earnings per share :			
	The earnings and weighted average number of ordinary shares used in the calculation of basic and diluted earnings per share are as follows:			
				₹
	Particulars		As at March 31st 2025	As at March 31st 2024
	Net Profit attributable to Equity Shareholders - (Basic and Diluted)		6236406.866	2211871.054
	Weighted Average Number of Equity Shares (Face Value Rs. 10 Each)- Basic and Diluted (Nos.)		61828424	15457106
	Earnings per share - Basic and Diluted - Rs.		0.10086634	0.14309736
	Disclosure in respect of Related Parties pursuant to Indian Accounting Standard 24			
17	Names of Related Parties and Nature of Relationship			₹
17.1	Key Managerial Person			
	Mr. Mahalingam Vasudevan		Managing Director	
	Mrs. Vasudevan Manimala		Whole Time Director	
	Mr. Annaganalaur Srimathi Venkata Narayanan		Director	
	Mr. Duraiswamy Basuvaiah		Director	
	Mr. Frederick Ivor Bendle		Director	
	Mr. Vijayakumar		Whole Time Director	
	Mr.Ashok Suryachandra Rao Godavarthi		Director	
	Mr. Krishnamoorthy Venkatesan		Company Secretary	
	Mr. Chandan		Director	
	Director Remuneration			
	Mrs. Vasudevan Manimala		600000	600000
	Mr. Vijayakumar		900000	900000
	Mr. Krishnamoorthy Venkatesan		600000	600000
	Loan from Directors			₹
	Mr. Mahalingam Vasudevan		8021920.14	83140440.1
	Earnings and expenditure in foreign exchange			₹
	Expenditure in foreign exchange		0	0
	Earnings in foreign exchange Export of Software		14023997	3136738

	Title deeds of Immovable Property not held in name of the			
18	Company			
	PPE	Land	Nil	Nil
		Building	Nil	Nil
	Investment Property	Land	Nil	Nil
		Building	Nil	Nil
19	Wilful Defaulter			
	Company is not a wilful defaulter by any bank or financial Institution or other lender, following details shall be given:			
	(a) Date of declaration as wilful defaulter			Nil
	(b) Details of defaults (amount and nature of defaults),			Nil
	Relationship with Struck off Companies			
20	Where the company has any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956, the Company shall disclose the following details:-			
				₹
	Investments in securities			
	Receivables			Not Applicable
	Payables			
21	Shares held by stuck off company			
	Other outstanding balances (to be specified)			
	Registration of charges or satisfaction with Registrar of Companies			
	Company has complied with the said regulation during the reporting period 31.03.2025			
	Key ratios			₹
	(a) Current Ratio	7.229768103	1.565650438	361.774093
	- Current Assets	206827196.5	151488608.5	
	- Current Liabilities	28607722.06	96757618.93	
22	(b) Debt-Equity Ratio	0.029029596	0.542472315	-94.648649
	- Total Debt	8021920.14	83140440.14	
	- Shareholders Equity	276335920.8	153262088.9	

	<b>(c) Debt Service Coverage Ratio</b>	<b>0.896750753</b>	<b>0.075010511</b>	<b>1095.50013</b>
23	-Earnings available for debt service	7193662.926	6236406.866	
	-Debt Service	8021920.14	83140440.14	
	<b>(d) Return on Equity Ratio</b>	<b>2.603231207</b>	<b>4.069112531</b>	<b>-0.360246</b>
	- Net Profits after taxes – Preference Dividend (if any)	7193662.926	6236406.866	
	- Average Shareholder's Equity	276335920.8	153262088.9	
	<b>(e) Inventory turnover ratio</b>	<b>Not applicable</b>	<b>Not applicable</b>	<b>Not applicable</b>
	- Cost of Goods Sold or Sales			
	- Average Inventory			
	<b>(f) Trade Receivables turnover ratio</b>	<b>0.295980655</b>	<b>0.29210158</b>	<b>1.32798846</b>
	- Net Credit sales	54463769.14	42803176.07	
	- Average Trade Debtors / Accounts receivable	184011245.8	146535243.2	
	<b>(g) Trade payables turnover ratio,</b>	<b>2.087395507</b>	<b>1.452722119</b>	<b>43.688561</b>
	- Net Credit Purchases	9835424.76	5926684.81	
	- Average Trade Payables	4711816.58	4079709.9	
	<b>(h) Net capital turnover ratio,</b>	<b>0.305599426</b>	<b>0.782064721</b>	<b>-60.924024</b>
	- Net Sales	54463769.14	42803176.07	
	- Average Working Capital	178219474.4	54730989.53	
	<b>(i) Net profit ratio,</b>	<b>13.20816212</b>	<b>14.56996288</b>	<b>-9.3466316</b>
	- Net profit	7193662.926	6236406.866	
	- Net Sales	54463769.14	42803176.07	
	<b>(j) Return on Capital employed,</b>	<b>2.603231207</b>	<b>4.06911253</b>	<b>-36.024595</b>
	- Earnings Before Interest and tax	7193662.926	6236406.866	
	- Capital employed	276335920.8	153262089	
	<b>(k) Return on investment.</b>	<b>Not Applicable</b>	<b>Not Applicable</b>	<b>Not Applicable</b>
	Explanation shall be provided for any change in the ratio by more than 25% as compared to the preceding year.	No such investments	No such investments	
	All Amounts mentioned in financial statement represents for the year ended 31.03.2025			
	Previous year figures have been properly carryforward to this year as comparative figures.			
	All amounts in the financial statements have been rounded off to lakhs.			
	Based on the information and explanation given by the company there were no dues to Micro, Small and Medium Scale			
	Notes Forming Part of the Financial Statements			
	The accompanying notes form an integral part of the financial statements.			
	As per our report of even date attached			





# CONSOLIDATED FINANCIALS

# INDEPENDENT AUDITOR'S REPORT

## TO THE MEMBERS OF CALIFORNIA SOFTWARE COMPANY LIMITED

### Report on the Audit of the Consolidated IND AS Financial Statements

#### Qualified Opinion:

We have audited the accompanying Consolidated Ind AS Financial Statements of CALIFORNIA SOFTWARE COMPANY LIMITED (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding company and its subsidiary together referred to as "the Group") comprising the Consolidated Balance Sheet as at March 31, 2025 the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows for the year ended March 31, 2025 and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information. (hereinafter referred to as "the Consolidated Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified section of our report, the aforesaid Consolidated Ind AS Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Holding Company as at March 31, 2025 and its consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

#### 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.1,840.11 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.*
3. *The Group has not disclosed the ageing schedule of Trade Payables as required under Schedule III of the Companies Act, 2013. Consequently, we were unable to verify the classification and presentation of such balances in accordance with the said requirements.*
4. *The Group has not disclosed the details of contingent liabilities in its Consolidated Financial Statements, as required under Schedule III of the Companies Act, 2013 and Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets". In the absence of such disclosure, we are unable to comment upon the possible impact, if any, on the Consolidated Financial Statements arising out of such non-disclosure.*

We conducted our audit of the Consolidated Ind AS Financial Statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements* 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 (ICAI) together with the independence requirements that are relevant to our audit of the Consolidated IND AS 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 we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.



## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated IND AS financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	Auditor’s Response
<p>Revenue recognition</p> <p>Accuracy of recognition, measurement, presentation and disclosure of revenue and related balances towards Ind AS 115- Revenue from contracts with customers.</p> <p>The application of this standard involves the assessment towards identification of performance obligation, determination of transaction price for each of the identified performance obligations, the judgements used in determining the satisfaction of those performance obligations over time or at a point in time.</p> <p>The company revenue from contracts mainly includes software development services, business process outsourcing services and IT Infrastructure services.</p>	<p>Our audit procedure involves the identification of internal controls and their operating effectiveness towards application of this standard. We have also carried out substantivetesting of the transactions.</p> <p>a) We have assessed the appropriateness of the revenue recognition policies by comparing with the applicable IndianAccounting Standards.</p> <p>b) Selected the samples of continuingcontracts as well as new contracts and identified the performance obligations and compared the same with the performance obligation identified by the company.</p> <p>c) Verified the basis of allocation of transaction price to the identified performance obligation if notspecifically mentioned in the contract.</p> <p>d) Identified the basis to be considered to determine the satisfaction of performance obligation and compared the same with the judgements used by the company in determining the satisfaction of performance obligation over the time or at a point in time.</p> <p>e) Verified the appropriate evidence considered for determining the satisfaction of performance obligation towards transfer of promised goods or services.</p> <p>f) Verified the judgements used by the company in determining the stages of completion of the contracts where the satisfaction of entire performance obligation is partially completed.</p> <p>g) Verified the process towards identification of contracts where the right to consideration is unconditional and is due only after passage of time.</p>

### Information Other than the Consolidated Financial Statements and Auditor’s Report Thereon

The Company’s Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Management Discussion and Analysis, Board’s Report including Annexure to Board’s Report, business Responsibility Report, Corporate Governance and Shareholder’s Information, but does not include the Consolidated Financial Statements and our Auditor’s Report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.



If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

## **Responsibilities of Management and Those Charged with Governance for the Consolidated IND AS Financial Statements**

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

In preparing the Consolidated IND AS financial statements, the respective management of the Holding Company and its subsidiary 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 respective management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Holding Company and its subsidiary are responsible for overseeing the financial reporting process of each Company.

## **Auditors' Responsibilities for the Audit of the Consolidated IND AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Consolidated Ind AS Financial Statements 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 Ind AS Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism through- out the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Ind AS Financial Statements, 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 controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on the internal financial controls with reference to the Consolidated Ind AS Financial Statements and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the Management use of the going concern basis of accounting in preparation of Consolidated Ind AS Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. 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 Ind AS Financial Statements 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 Holding Company and its subsidiary to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Consolidated Ind AS Financial Statements, including the disclosures and whether the Consolidated Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Consolidated Ind AS Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Ind AS Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the benefits of public interest such communication.

## Other Matters

We did not audit the financial statement /information of Aspire Communications Private Limited(100% subsidiary) whose financial statements/information reflect Total Assets of Rs. 1.10 Lakhs as at March 31, 2025 and total revenue of Rs. Nil as at March 31, 2025 as considered in the Consolidated Financial Statements.

Our opinion is not modified with respect to the above matter.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such jointly controlled entities as was audited by other auditors as noted in the 'Other Matters' paragraph, we report to the extent applicable that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Ind AS Financial Statements.
  - b. In our opinion, subject to the matters described in the basis of qualified opinion paragraph, proper books of account as required by law relating to preparation of the aforesaid Consolidated Ind AS Financial Statements have been kept so far as it appears from our examination of those books and reports of other auditors.
  - c. The Consolidated Balance sheet, Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Ind AS Financial Statements.
  - d. In our opinion, subject to the matters described in the basis of qualified opinion paragraph, the aforesaid Consolidated Ind AS Financial Statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.

- e. The matter described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Company
  - f. On the basis of written representations received from the directors as on 31<sup>st</sup> March 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2025 from being appointed as a director in terms of Section 164(2) of the Act.
  - g. With respect to the adequacy of the internal financial controls with reference to the Consolidated Ind AS Financial Statements of the Holding Company and its subsidiary the operating effectiveness of such controls, refer to our separate report in "Annexure B".
3. In accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
    - a) The Holding company has not disclosed the impact of pending litigations on the consolidated financial position of the Holding Company and its subsidiary in the Consolidated Ind AS Financial statements.
    - b) Subject to the matters described in the basis of qualified opinion paragraph, the Holding Company and its subsidiary has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
  4. There is no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company.
  5. (a) The Management has represented that, to the best of its knowledge and belief that, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.  
  
 (b) The Management has represented, that, to the best of its knowledge and belief that, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.  
  
 (c) Based on the audit procedures performed that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.
  6. The Holding Company or its subsidiary companies incorporated in India has not declared any dividend during the previous year.
  7. The Company is maintaining its books of account in electronic mode. However, the edit log / audit trail feature has not been enabled in the accounting software as of the reporting date. Hence, the statutory requirement relating to preservation of audit trail has not been complied with.
  8. The managerial remuneration paid by the company is in accordance with the provisions of Section 197 of the Companies Act 2013.

For K Gopal Rao & Co.,  
Chartered Accountants  
Firm Registration No. 0009565

**CA MADAN GOPAL NARAYANAN**  
Partner  
Membership No. 211784

**UDIN: 25211784BMIIRO4597**  
Place: Chennai

Date: 30/05/2025

# ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in Para 1 under 'Report on Other Legal & Regulatory Requirements' in our Report of even date)

As required by paragraph 3(xxi) of the CARO 2020, we report that the auditors of the Aspire Communications Private Limited (100% Subsidiary) has not provided qualified or adverse remarks in their CARO Report on the Standalone Financial Statements

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

CA MADAN GOPAL NARAYANAN  
Partner  
Membership No. 211784

UDIN: 25211784BMIIIR04597

Place: Chennai  
Date: 30/05/2025



## ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in Para 1 of the section ‘Report on Other Legal & Regulatory Requirements’ in our Independent Auditor’s Report to the members of the company on the Consolidated Ind AS Financial Statements for the year ended March 31, 2024)

### Report On The Internal Financial Controls Under Clause (I) Of Sub-Section 3 Of Section 143 Of The Companies Act, 2013 (“The Act”)

In conjunction with our audit of the Consolidated Ind AS Financial Statements of the Company as of and for the year ended March 31, 2025, we have audited the internal financial controls with reference to Consolidated Ind AS Financial Statements of **California Software Company Limited** (“the Company”) and its subsidiary company incorporated in India as of **March 31, 2025**.

#### Management’s Responsibility for Internal Financial Controls

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

#### Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to Consolidated Ind AS Financial Statement based on our audit. We conducted our audit in accordance with the ‘Guidance Note’ and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the Consolidated Ind AS Financial Statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with respect to the Consolidated Ind AS Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to the Consolidated Ind AS Financial Statement and their operating effectiveness.

Our audit of internal financial controls with reference to the Consolidated Ind AS Financial Statements included obtaining an understanding of internal financial controls with reference to Consolidated Ind AS Financial Statement, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the Consolidated Ind AS Financial Statement, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the auditor of the subsidiary, incorporated in India, in terms of their reports referred to in the “Other Matters” paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system with respect to Consolidated Ind AS Financial Statements.

# Meaning of Internal Financial Controls with reference to the Consolidated Ind AS Financial Statements

A company's internal financial controls with reference to the Consolidated Ind AS Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated Ind AS Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to the Consolidated Ind AS Financial Statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Consolidated Ind AS Financial Statements in accordance with generally accepted accounting principles and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the company's assets that could have a material effect on the Consolidated Ind AS Financial Statements.

## Inherent Limitations of Internal Financial Controls With reference to the Consolidated Ind AS Financial Statements

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

## Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at March 31, 2025:

- a) *The board of the Holding company has not established an independent monitoring mechanism in respect of Quality control aspects in accounting, compliance, Internal audit and in publication of Annual reports.*
- b) *The Holding company did not have any internal control to make timely statutory compliances such as TDS, GST etc.,*
- c) *The Holding company did not have a regular internal finance team to overview the accounting and other statutory compliances.*
- d) *The Holding company did not have an internal control to have an effective monitoring of creditor payment system and debtor collection system.*
- e) *The Holding company does not have any internal risk control matrix to identify the risk areas impacting on the financial statement the impact of this material weakness could not be assessed.*

In our Opinion, except for the possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company and its subsidiary company incorporated in India, have, in all material respects, an adequate internal financial controls with reference to the Consolidated Ind AS Financial Statements in place and such internal financial controls with reference to the Consolidated Ind AS Financial Statements were operating effectively as at March 31, 2025, based on the internal controls over financial reporting criteria established by the Company considering the components of internal control stated in the Guidance Note' on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

# Other Matters

Our aforesaid report under Section 143(3)(i) of the Act, on the adequacy and operating effectiveness of the internal financial controls with respect to financial statement, in so far as it relates to subsidiary Aspire Communications Private Limited company incorporated in India, is based solely on the report of the other auditor. Our opinion is not modified in respect of this matter.

For K Gopal Rao & Co.,  
Chartered Accountants  
Firm Registration No. 0009565

CA MADAN GOPAL NARAYANAN  
Partner  
Membership No. 211784

UDIN: 25211784BMIIIR04597

Place: Chennai  
Date: 30/05/2025

California Software Company Limited			
Consolidated Balance sheet as on March 31, 2025			
Particulars	Note no.	As at March 31, 2025	As at March 31, 2024
<b>I. Assets</b>			
<b>1. Non-current assets</b>			
a) Property, plant and equipment	1	224.74	281.44
c) Deferred tax asset		14.25	12.47
<b>Total non-current assets</b>		<b>238.99</b>	<b>293.91</b>
<b>2. Current assets</b>			
a) Inventories			
a) Financial assets			
(i) Trade receivables	3	1840.11	1465.35
(ii) Cash and cash equivalents	4	203.83	4.01
(iii) Bank balances other than (ii) above		1.03	1.03
(iv) Other Financial Assets		24.41	6.58
b) Current tax asset (net)		380.02	380.02
c) Other current assets	5	50.77	39.02
<b>Total current assets</b>		<b>2500.17</b>	<b>1896.01</b>
<b>Total assets</b>		<b>2739.16</b>	<b>2189.92</b>
<b>II. Equity and Liabilities</b>			
<b>Equity</b>			
a) Equity share capital	6	2704.99	1545.71
b) Other equity		-251.91	-324.89
<b>Total equity</b>		<b>2453.08</b>	<b>1220.82</b>
<b>Liabilities</b>			
<b>1. Non-current liabilities</b>			
a) Deferred Tax Liabilities	7	.00	.00
<b>Total non-current liabilities</b>		<b>.00</b>	<b>.00</b>
<b>2. Current liabilities</b>			
a) Financial liabilities			
(i) Borrowings	8	80.22	831.40
(ii) Trade payables	9	47.12	40.80
(iii) Other financial liabilities		1.03	1.03
b) Other current liabilities	10	157.71	95.87
Liabilities directly associated with assets classified as held for sale			
<b>Total current liabilities</b>		<b>286.08</b>	<b>969.11</b>
<b>Total liabilities</b>		<b>286.08</b>	<b>969.11</b>
<b>Total equity and liabilities</b>		<b>2739.16</b>	<b>2189.92</b>
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	M. Vijayakumar	
Membership No. 211784	Managing Director	Director	
Date: 30/05/2025			
Place: Chennai			



California Software Company Limited				
Consolidated Statement of Profit and Loss for the year ended March 31, 2025				
	Particulars	Note no	For the year ended March 31, 2025	For the year ended March 31, 2024
I	Revenue from operations	11	544.64	428.03
II	Other income, net	12	.00	.00
III	Total income		544.64	428.03
IV	Expenses			
	Employee benefit expense	13	243.55	183.23
	Depreciation and amortisation expense	14	56.70	71.62
	Other expenses	15	144.56	88.26
	Total expenses		444.80	343.11
V	Profit before exceptional items and tax		99.84	84.93
VI	Exceptional items		.00	.00
VII	Profit before tax		99.84	84.93
VIII	Tax expense			
	(i) Current tax		29.68	25.85
	(ii) Deferred tax		-1.78	-3.28
IX	Profit for the period		71.94	62.36
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		71.94	62.36
XII	Earnings per equity share			
	Equity shares of par value Rs. 10 each			
	Basic		0.12	0.40
	Diluted		0.12	0.40
	Numbers of shares			
	Basic		61828424	1,54,57,106
	Diluted		61828424	1,54,57,106
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	M. Vijayakumar	
Membership No. 211784		Managing Director	Director	
Date: 30/05/2025				
Place: Chennai				

California Software Company Limited		
Consolidated Cash flow statement for the year ended March 31, 2025		
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Cash flow from operating activities		
<b>Profit before tax</b>	<b>99.84</b>	<b>84.93</b>
Adjustments for:		
Depreciation and amortisation expense	56.70	71.62
<b>Operating profit before working capital changes</b>	<b>156.54</b>	<b>156.54</b>
Changes in working capital:		
Decrease/(Increase) in trade receivables	-374.76	248.28
Increase/(Decrease) in trade payables	6.32	5.57
Increase/(Decrease) in Other current liabilities	63.37	14.28
Increase/(Decrease) in Other current financial liabilities	.00	-595.00
Decrease/(Increase) in Other current assets	-11.76	-8.36
Decrease/(Increase) in other current financial asset	-17.82	8.33
<b>Cash generated from operations</b>	<b>-334.65</b>	<b>-326.91</b>
Taxes Paid	29.68	25.36
<b>Net cash generated from operating activities</b>	<b>-207.80</b>	<b>-195.73</b>
Cash flows from investing activities		
Payments for property, plant and equipment	.00	.00
<b>Net cash outflow from investing activities</b>	<b>.00</b>	<b>.00</b>
Cash flows from financing activities		
Proceeds from borrowings	73.71	194.84
Dividend on OCRPS	334.94	.00
<b>Net cash inflow from financing activities</b>	<b>408.65</b>	<b>194.84</b>
Net increase (decrease) in cash and cash equivalents	200.85	-.89
Cash and cash equivalents at the beginning of the financial year	4.00	4.89
<b>Cash and cash equivalents at end of the year</b>	<b>204.86</b>	<b>4.00</b>
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		
<b>Madan Gopal Narayanan</b>		
Partner	<b>Dr. M. Vasudevan</b>	<b>M. Vijayakumar</b>
Membership No. 211784	Managing Director	Director
Date: 30/05/2025		
Place: Chennai		

California Software Company Limited											
Statement of Changes in Equity for the year ended March 31, 2024											
Particulars	Equity share capital	Other equity						Other comprehensive income			Total equity attributable to equity holders of the Company
		Reserves and surplus			Capital reserve			Equity instruments through other comprehensive income	Effective portion of cash flow hedges	Other items of other comprehensive income / (loss)	Total
		Securities premium	Retained earnings	General reserve	Optionally Convertible Preference Shares	Capital reserve	Capital business transfer adjustment reserve				
Balance as at April 1, 2023	1545.71	9290.14	-10269.08	658.64	41.87	2.06	.00	.00	.00	.00	-276.36
Changes in equity for the year		.00	.00	.00		.00	.00	.00	.00	.00	.00
Profit for the year	.00	.00	62.36	.00		.00	.00	.00	.00	-110.90	-48.53
Transfer to general reserve	.00	.00	.00	.00		.00	.00	.00	.00	.00	.00
Dividends	.00	.00	.00	.00		.00	.00	.00	.00	.00	.00
Balance as at March 31, 2024	1545.71	9290.14	-10206.72	658.64	41.87	2.06	.00	.00	.00	-110.90	-324.89
											1221.17

Statement of Changes in Equity for the year ended March 31, 2025										
Particulars	Equity share capital	Other equity						Total		
		Reserves and surplus			Other comprehensive income			Total	Total equity attributable to equity holders of the Company	
		Securities premium	Retained earnings	General reserve	Optionally Convertible Redeemable Preference Shares	Capital reserve	Capital reserve			
						Capital reserve	Capital reserve			
Balance as at April 1, 2023	1545.71	9290.14	-10206.72	658.64	41.87	2.06	.00	.00	-110.90	-324.89
Changes in equity for the year	1159.28	.00	.00	.00		.00	.00	.00	.00	.00
Profit for the year	.00	.00	71.94	.00		.00	.00	.00	1.05	72.98
Transfer to general reserve	.00	.00	.00	.00		.00	.00	.00	.00	.00
Dividends	.00	.00	.00	.00		.00	.00	.00	.00	.00
Balance as at March 31, 2024	2704.99	9290.14	-10134.78	658.64	41.87	2.06	.00	.00	-109.85	-251.91
										2501.98



California Software Company Limited		
Notes to Consolidated Financial Statements for the year ended March 31, 2025		
Note 1: Property, plant and equipment		
Particulars	Computers and Accessories	Total
Gross carrying value as at April 1, 2024	281.44	281.44
Additions		
Deletions		
Gross carrying value as at March 31, 2025	281.44	281.44
Particulars	Computers and Accessories	Total
Accumulated depreciation as on April 1, 2024		
Depreciation	56.70	56.70
Accumulated depreciation as on deletions		
Accumulated depreciation as on March 31, 2025	56.70	56.70
Carrying value as at March 31, 2025	224.74	224.74

Note: 2 Investments and assets held for sale		
Particulars	As at March 31, 2025	As at March 31, 2024
Non Current Investments		
Investment in Equity instruments of subsidiaries		
Total carrying value		
Particulars	As at March 31, 2025	As at March 31, 2024
Non-current		
Unquoted		
Investment carried at cost		
Investment in equity instruments of subsidiaries		
Aspire communication, Mysore, India		
20,00,000 (20,00,000) equity shares, fully paid up		
Note: 3 Trade receivable		
Particulars	As at March 31, 2025	As at March 31, 2024
Current		
Trade receivables	1840.11	1465.35
Unsecured, Considered good		
Total trade receivables	1840.11	1465.35
(1) Includes dues from companies where directors are interested		
Note: 4 Cash and cash equivalents		
Particulars	As at March 31, 2025	As at March 31, 2024
Balances with Banks	203.34	3.52
In current and deposit accounts		
Cash on hand	.48	.48
	203.83	4.01
Bank balances other than above		
Balances with banks- Unpaid dividend accounts	1.03	1.03
*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, 2025	As at March 31, 2024
GST Input Tax Credit	50.77	39.02
	50.77	39.02
Note: 5 Other current financial assets		
Particulars	As at March 31, 2025	As at March 31, 2024
Other Loans and advances	15.20	6.58
Rental Advance	4.21	.00
Advance for Car	5.00	
	24.41	6.58
Note: 6 Equity		
Particulars	As at March 31, 2025	As at March 31, 2024
Authorised Capital		
17,10,00,000 Equity Shares of Rs.10/- each with equal voting rights	17100.00	2100.00
40,00,000 Preference Shares of Rs.10/- each with equal voting rights	400.00	400.00
	17500.00	2500.00
Particulars	As at March 31, 2025	As at March 31, 2024
Issued, Subscribed and paid up		
1,54,57,106 Equity Shares of Rs.10/- each with equal voting rights	1545.71	1545.71
4,18,700 Optionally Convertible Redeemable Preference Shares(OCRPS) at Rs.10	41.87	41.87
4,63,71,318 Equity Shares of Rs.10/- each of which Rs. 2.5 called and Rs. 7.5 uncalled	1159.28	
	2746.86	1587.58
(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, 2025	As at March 31, 2024
Shareholders holding more than 5% of total shares		
Vasudevan M	3,84,96,620 62.26%	55,22,972 35.73%
Chemoil		17,46,533 11.27%
Closing Balance	3,84,96,620 62.26%	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, 2025	As at March 31, 2024
At the beginning of the period	158.76	158.76
Add : Shares issued	463.71	.00
Less : Shares bought back	.00	.00
At the end of the period	622.47	158.76
Note :7 Deffered Tax		
Particulars	As at March 31, 2025	As at March 31, 2024
Deferred Tax Liabilities		

<b>Note: 8 Financial liabilities</b>		
<b>Particulars</b>	<b>As at March 31, 2025</b>	<b>As at March 31, 2024</b>
Loan from Directors	80.22	831.40
Total	80.22	831.40
<b>Note: 9 Trade payables</b>		
<b>Particulars</b>	<b>As at March 31, 2025</b>	<b>As at March 31, 2024</b>
Trade payables	47.12	40.80
Total	47.12	40.80
<b>Note: 9 Other financial liabilities</b>		
<b>Particulars</b>	<b>As at March 31, 2025</b>	<b>As at March 31, 2024</b>
Liability towards capital goods		
Unpaid dividends	1.03	1.03
Other Advances		
Total	1.03	1.03
<b>Note: 10 Other current liabilities</b>		
<b>Particulars</b>	<b>As at March 31, 2025</b>	<b>As at March 31, 2024</b>
Statutory liabilities	89.98	54.57
Audit Expenses Payable	5.21	6.50
Gratuity Payable	1.35	1.35
Provision for Dividend on OCRPS	.36	.36
Other Current Liabilities	.70	2.23
Employee Benefit Expenses	60.11	30.86
Total	157.71	95.87

# 1. Corporate Information

California Software Company Limited (CIN: L72300TN1992PLC022135) was incorporated on 6th June 1992 under the provisions of the Companies Act and is registered with the Registrar of Companies, Chennai, Tamil Nadu. The Company's equity shares are listed on the **Bombay Stock Exchange (BSE)** and the **National Stock Exchange (NSE)**.

The registered office of the Company is situated at: **Workflo, Greeta Towers, Industrial Estate, Perungudi, OMR Phase 1, Chennai – 600096.**

## Business Overview

Over the last three decades, the Company has transitioned from a traditional IT services enterprise into a **multi-product SaaS provider**, delivering digital transformation for SMEs and enterprises. The business model now emphasizes **AI, automation, and customer engagement**, ensuring seamless integration of commerce, communication, and intelligence.

## Product Ecosystem

The Company has developed and commercialized a suite of integrated SaaS platforms:

- **dSpeedUp** – AI-enabled e-commerce and marketplace solution that enables businesses to launch, scale, and optimize digital stores with predictive insights.
- **dBotMinds** – AI-powered conversational commerce and chatbot engine for WhatsApp, web, and voice automation, covering lead capture, sales enablement, and customer support.
- **dUltima** – Modular **super-app ecosystem** integrating e-commerce, payments, logistics, loyalty, and personalized recommendations.
- **dRyZe CRM** – End-to-end customer lifecycle management platform with AI-driven sales automation, marketing intelligence, service workflows, and real-time analytics.

These products function as a **unified SaaS ecosystem**, empowering businesses to thrive in a digital-first economy.

## Strategic Direction

Aligned with the theme *"Empowering Tomorrow with Today's Innovations"*, the Company continues to:

- **Leverage AI-first architecture** to automate decision-making and engagement.
- **Provide affordable and scalable SaaS solutions** tailored for SMEs and microbusinesses.
- **Strengthen governance and compliance**, adhering to SEBI (LODR) Regulations, 2015.
- **Focus on sustainable growth** through digital inclusion and empowerment of small businesses.

The standalone financial statements were reviewed by the **Audit Committee** and approved by the **Board of Directors** at their meeting held on **May 30, 2025**.

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## 2. Significant Accounting Policies

### 2.1 Basis of Preparation of Financial Statements

The financial statements are prepared in accordance with **Indian Accounting Standards (Ind AS)** notified under the Companies (Indian Accounting Standards) Rules, 2015, read with amendments, as applicable under Section 133 of the Companies Act, 2013.



- Prepared on a **historical cost basis**, except certain financial instruments measured at fair value.
- Assets and liabilities classified as **current** or **non-current** based on operating cycle and realization/settlement expectations.
- Deferred tax assets/liabilities are always classified as **non-current**.
- The Company's **operating cycle** is **12 months**.

## 2.2 Use of Estimates

Preparation requires management judgment, estimates, and assumptions that affect reported assets, liabilities, income, and expenses. Key areas include:

- Revenue recognition on SaaS contracts.
- Useful life and capitalization of internally developed software.
- Impairment of intangible assets.
- Provisions for doubtful receivables.

Actual results may differ. Changes in estimates are accounted for prospectively.

## 2.3 Property, Plant and Equipment (PPE)

- Carried at **cost less accumulated depreciation** and impairment.
- Cost includes purchase price, duties, and directly attributable expenses.
- Major improvements are capitalized; routine maintenance is expensed.
- Derecognized upon disposal or when no economic benefits remain.
- Gains/losses on disposal recognized in the Statement of Profit & Loss.

## 2.4 Depreciation

Depreciation is on **Straight-Line Method (SLM)** as per Schedule II of the Companies Act, 2013.

Sl. No.	Asset Category	Useful Life
1	Buildings	30 years
2	Plant & Machinery	13 years
3	Computers	3 years
4	Vehicles	10 years
5	Furniture & Fixtures	10 years

## 2.5 Intangible Assets & Amortization

- Includes internally developed SaaS products (**dSpeedUp, dBotMinds, dUltima, dRyZe CRM**) and acquired licenses.
- Carried at **cost less amortization and impairment**.
- Amortized over **3–5 years**, aligned to SaaS industry product lifecycles.
- Reviewed periodically for impairment triggers.

## 2.6 Impairment of Assets

- Assets reviewed annually for indicators of impairment.
- Impairment recognized when carrying value > recoverable amount (higher of fair value less cost to sell or value in use).
- Reversals allowed only to the extent that carrying value does not exceed depreciated cost had no impairment been recognized.

## 2.7 Inventory

The Company is engaged in SaaS-based services and does not deal in physical goods. Hence, Ind AS 2 – Inventories is not applicable.

## 2.8 Cash and Cash Equivalents

Includes cash in hand, demand deposits, and short-term liquid investments with maturities up to three months.

## 2.9 Cash Flow Statement

Prepared using the Indirect Method. Operating, investing, and financing activities are presented separately.

## 2.10 Revenue Recognition

Revenue is recognized under Ind AS 115:

- Subscriptions – over the subscription period.
- Implementation & setup fees – upon completion of obligations.
- Transaction-linked revenue – on transaction completion.
- Custom services – on percentage-of-completion basis.

Revenue excludes GST and similar taxes collected.

## 2.11 Employee Benefits

- Provident Fund – defined contribution plan, expensed when incurred.
- Gratuity & Leave Encashment – recognized based on actuarial valuation.
- ESOPs (if applicable) – fair value recognized over vesting period.

## 2.12 Taxation

- Current tax based on enacted tax laws.
- Deferred tax recognized on temporary differences using balance sheet approach.
- Deferred tax assets recognized when future taxable profits are probable.

## 2.13 Earnings Per Share (EPS)

- Basic EPS – net profit attributable to equity shareholders ÷ weighted average shares.
- Diluted EPS – adjusted for potential dilutive shares.

## 2.14 Foreign Currency Transactions

- Transactions recorded at transaction-date rates.
- Monetary items revalued at closing rates.
- Exchange differences recognized in Profit & Loss.

## 2.15 Borrowing Costs

- Capitalized if directly attributable to qualifying assets.
- Otherwise expensed in the period incurred.

## 2.16 Events after the Reporting Period

Evaluated for adjustments/disclosure. No material events occurred post March 31, 2025.

## 2.17 Audit Trail Feature

MCA has mandated use of accounting software with **audit trail** from April 1, 2023. The Company uses **Tally Prime**.

- Due to technical issues, the audit trail module was not functional in FY 2024–25.
  - Books are properly maintained with supporting evidence.
  - Management is working to activate this feature at the earliest.
- 

# 3. Trade Payable Aging Schedule

As on March 31, 2025, the Company has no outstanding trade payables.

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# 4. Dividend Disclosure

The Company has not declared or paid dividends in the last five years. The Board has resolved to conserve resources until operations and profitability stabilize. Dividend distribution will be considered thereafter.

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# 5. Compliance with Benami Transactions Act

The Company confirms no benami transactions were undertaken during FY 2024–25.

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## 6. Utilization of Proceeds from Rights Issue

The Company raised ₹46.37 crores via Rights Issue of partly paid-up equity shares. As of March 31, 2025, ₹11.59 crores (25%) has been collected.

Particulars	Amount (₹ in Crores)
Repayment of Promoter Loan	8.25
Rights Issue expenses & working capital	1.25
Balance held in current account	2.09
<b>Total</b>	<b>11.59</b>

The utilization is consistent with the objectives stated in the Letter of Offer.

## 7. Promoter Shareholding

As of March 31, 2025, the promoters hold 62.26% of the Company's paid-up equity share capital.

## 8. Trade Receivables Aging

As on March 31, 2025, the Company's receivables stood at ₹18.00 crores, comprising:

- ₹5.00 crores outstanding for less than 180 days, and
- ₹13.00 crores outstanding for more than 180 days.

The management is actively pursuing recovery of long-outstanding dues.

## 9. Segment Information

In compliance with Ind AS 108, the Company has identified a single reportable segment – Software Development and Services.

## 10. Contingent Liabilities

The Company has no contingent liabilities as on March 31, 2025.



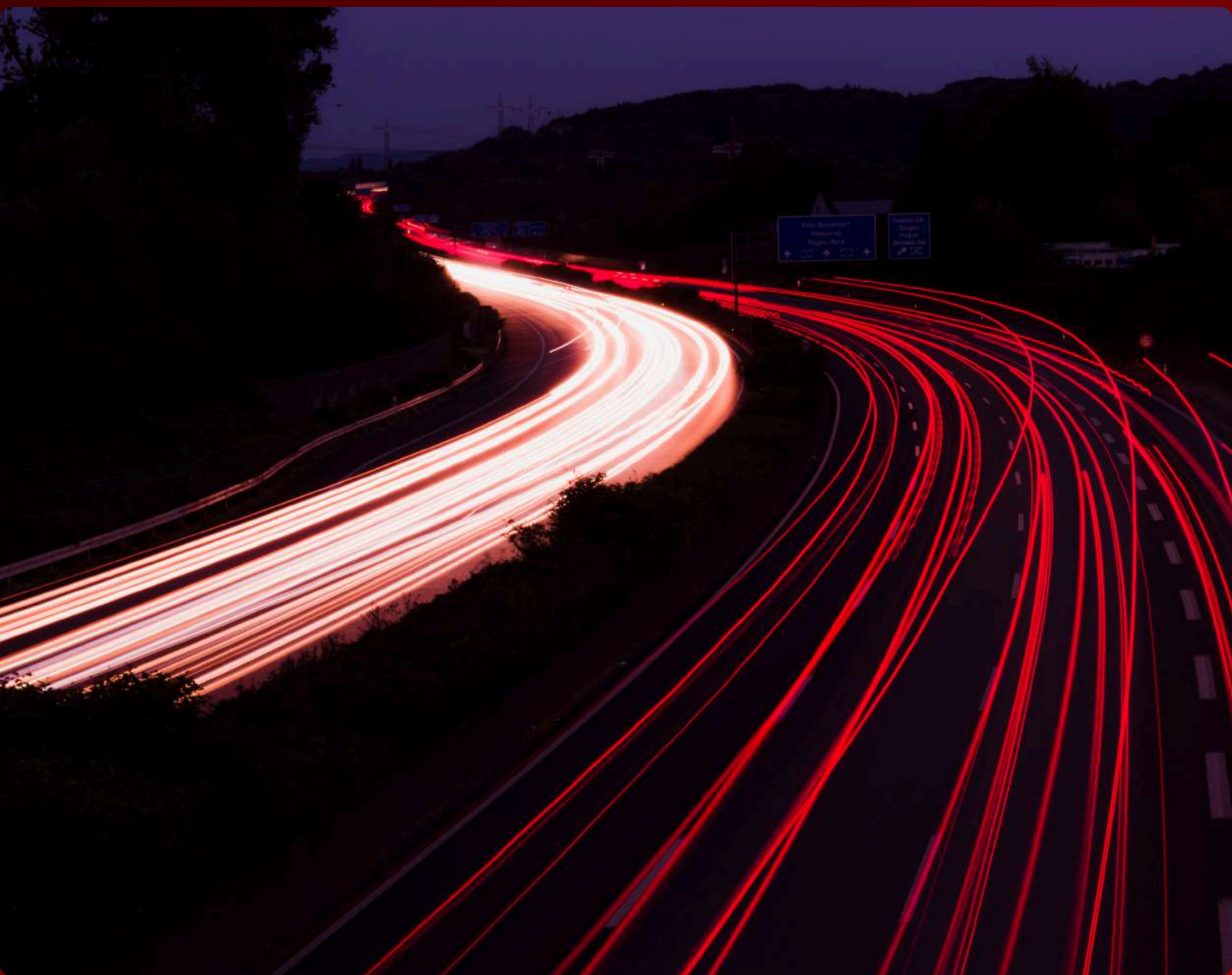
<b>Note: 11 Revenue from operations</b>		
<b>Particulars</b>	<b>As at March 31, 2025</b>	<b>As at March 31, 2024</b>
Sale of Services	544.64	428.03
Total	544.64	428.03
<b>Note: 12 Other Income</b>		
<b>Particulars</b>	<b>As at March 31, 2025</b>	<b>As at March 31, 2024</b>
UPI ID TESTING		
Foreign exchange gain		
Total		
<b>Note: 13 Employee benefits expense</b>		
<b>Particulars</b>	<b>As at March 31, 2025</b>	<b>As at March 31, 2024</b>
Salary Expenses	234.11	178.68
Staff welfare expenses	9.44	4.56
Total	243.55	183.23
<b>Note: 14 Depreciation and Amortisation</b>		
<b>Particulars</b>	<b>As at March 31, 2025</b>	<b>As at March 31, 2024</b>
Depreciation & Amortisation	56.70	71.62
Total	56.70	71.62
<b>Note: 15 Other Expenses</b>		
<b>Particulars</b>	<b>As at March 31, 2025</b>	<b>As at March 31, 2024</b>
Maintenance expenses		
Rent - Office	19.10	23.37
Communication expenses	.00	.39
Listing fees	26.84	.00
Travel Expenses	.00	.11
Bad debts written off	.00	.00
Audit Fee	6.00	4.50
Secretarial & Professional Fees	.00	8.07
Foreign Exchange Loss	.00	.00
Share Maintenance Charges	.00	.00
ROC Fees	.40	1.02
Server Rental expenses	.36	.00
Depository Charges	8.34	4.88
Other Expenses	70.82	7.84
Advertisement	.08	.34
Bank Charges	.61	.09
Rates and Taxes	.15	1.14
Administration Expenses	.00	.00
Website and Domain Charges	.20	.73
Issuer Fees	.00	.90
Rental Charges	1.10	1.46
Payment Gateway Charges	.00	.08
Repair and Maintenance	.00	.06
E-Voting	.00	.10
Digital Media Expenses	8.43	28.06
Software Expense	.23	.07
Storage Expenses	.00	.06
Subscription Charges	.00	.02
Custodian Fees	.00	.57
CRM Recharge	.00	.03
Corporate Tax	.00	.02
Consumables	.00	4.16
Postage & Courier	.00	.07
Miscellaneous Expenses	.00	.01
Naukri Expenses	.00	.02
Commission Expenses	.00	.10
Penalty Paid	1.91	.00
Total	144.56	88.26

California Software Company Limited			
16 Earnings per share (EPS)			
Basic and Diluted earnings per share :			
The earnings and weighted average number of ordinary shares used in the calculation of basic and diluted earnings per share are as follows:			
			₹
Particulars	As at March 31st 2025	As at March 31st 2024	
Net Profit attributable to Equity Shareholders - (Basic and Diluted)	62,36,406.87	22,11,871.05	
Weighted Average Number of Equity Shares (Face Value Rs. 10 Each)- Basic and Diluted (Nos.)	6,18,28,424.00	1,54,57,106.00	
Earnings per share - Basic and Diluted - Rs.	0.10	0.14	
17 Disclosure in respect of Related Parties pursuant to Indian Accounting Standard 24			
17.1 Names of Related Parties and Nature of Relationship			
Key Managerial Person			
Mr. Mahalingam Vasudevan	Managing Director		
Mrs. Vasudevan Manimala	Whole Time Director		
Mr. Annaganalaur Srimathi Venkata Narayanan	Director		
Mr. Duraiswamy Basuvaiah	Director		
Mr. Frederick Ivor Bendle	Director		
Mr. Vijayakumar	Whole Time Director		
Mr.Ashok Suryachandra Rao Godavarthi	Director		
Mr. Krishnamoorthy Venkatesan	Company Secretary		
Mr. Chandan	Director		
Director Remuneration			
Mrs. Vasudevan Manimala	6,00,000.00	6,00,000.00	
Mr. Vijayakumar	9,00,000.00	9,00,000.00	
Mr. Krishnamoorthy Venkatesan	6,00,000.00	6,00,000.00	
Loan from Directors			
Mr. Mahalingam Vasudevan	80,21,920.14	8,31,40,440.14	
18 Earnings and expenditure in foreign exchange			
			₹
Expenditure in foreign exchange	-	-	
Earnings in foreign exchange	1,40,23,997.00	31,36,738.00	
Export of Software			

19 Title deeds of Immovable Property not held in name of the Company						
Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter*/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company**
PPE	Land	Nil	Nil	Nil	Nil	Nil
	Building	Nil	Nil	Nil	Nil	Nil
Investment Property	Land	Nil	Nil	Nil	Nil	Nil
	Building	Nil	Nil	Nil	Nil	Nil
20 Wilful Defaulter						
Company is not a wilful defaulter by any bank or financial Institution or other lender, following details shall be given:						
(a) Date of declaration as wilful defaulter Nil						
(b) Details of defaults (amount and nature of defaults), Nil						
21 Relationship with Struck off Companies						
where the company has any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956, the Company shall						
₹						
Name of struck off Company	Nature of transactions with struck-off Company	Balance outstanding	Relationship with the Struck off company, if any, to be disclosed			
	Investments in securities					
	Receivables		Not Applicable			
	Payables					
	Shares held by struck off company					
	Other outstanding balances (to be specified)					

22 Registration of charges or satisfaction with Registrar of Companies			
Company has complied with the said regulation during the reporting period 31.03.2024			
23 Key ratios			
Particulars	ended 31st March 2025	ended 31st March 2024	Variance
	Rs.	Rs.	Rs.
(a) Current Ratio	7.23	1.57	362.02
- Current Assets	20,69,37,683.45	14,76,97,400.31	
- Current Liabilities	2,86,07,722.06	9,69,10,545.69	
(b) Debt-Equity Ratio	0.03	0.54	(93.97)
- Total Debt	80,21,920.14	8,31,40,440.14	
- Shareholders Equity	24,53,08,438.72	12,20,81,625.93	
(c) Debt Service Coverage Ratio	0.90	0.08	1,095.50
- Earnings available for debt service	71,93,662.93	62,36,406.87	
- Debt Service	80,21,920.14	8,31,40,440.14	
(d) Return on Equity Ratio	2.93	4.07	(0.28)
- Net Profits after taxes – Preference Dividend (if any)	71,93,662.93	62,36,351.01	
- Average Shareholder's Equity	24,53,08,438.72	12,20,81,625.93	
Particulars	ended 31st March 2025	ended 31st March 2024	Variance
	Rs.	Rs.	Rs.
(e) Inventory turnover ratio	Not applicable	Not applicable	Not applicable
- Cost of Goods Sold or Sales			
- Average Inventory			
(f) Trade Receivables turnover ratio	0.30	0.29	1.33
- Net Credit sales	5,44,63,769.14	4,28,03,176.07	
- Average Trade Debtors / Accounts receivable	18,40,11,245.83	14,65,35,243.16	
(g) Trade payables turnover ratio,	2.09	1.45	43.69
- Net Credit Purchases	98,35,424.76	59,26,684.81	
- Average Trade Payables	47,11,816.58	40,79,709.90	
(h) Net capital turnover ratio,	0.31	0.78	(60.95)
- Net Sales	5,44,63,769.14	4,28,03,176.07	
- Average Working Capital	17,83,29,961.39	5,47,30,989.53	
(i) Net profit ratio,	13.21	14.57	(9.35)
- Net profit	71,93,662.93	62,36,351.01	
- Net Sales	5,44,63,769.14	4,28,03,176.07	
(j) Return on Capital employed,	2.93	4.07	(27.93)
- Earnings Before Interest and tax	71,93,662.93	62,36,351.01	
- Capital employed	24,53,08,438.72	12,20,81,625.93	
(k) Return on investment.	Not Applicable	Not Applicable	Not Applicable
Explanation: Reason for increase or decrease for any change in the ratio by more than 25% as compared	No such investments	No such investments	
24 All Amounts mentioned in financial statement represents for the year ended 31.03.2025			
25 Previous year figures have been properly carryforward to this year as comparative figures.			
26 All amounts in the financial statements have been rounded off to lakhs.			
Based on the information and explanation given by the company there were no dues to			
27 Micro, Small and Medium Scale industries.			
Notes Forming Part of the Financial Statements			
The accompanying notes form an integral part of the 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		Dr. M. Vasudevan	M. Vijayakumar
Partner		Managing Director	Director
Membership No. 211784			
Place: Chennai			
Date: 30/05/2025			





**“ONE STEP AT A TIME.  
YOU’LL GET THERE.”**