



MEGASOFT LIMITED

CIN : L24100TN1999PLC042730

8th Floor, Unit No. 801-B

Jain Sadguru Image's Capital Park

Plot No. 1, 28 & 29, 98/4/1 to 13

Image Gardens Rd, Madhapur

Hyderabad, Telangana 500081

Tel: +91-40-29320407

Email: investors@megasoft.com

website : www.megasoft.com

To,

Date: May 21, 2024

BSE Limited Phiroze JeeJee Bhoy Towers Dalal Street, Fort Mumbai 400001 Scrip Code: 532408	National Stock Exchange of India Limited Exchange Plaza Bandra-Kurla Complex, Bandra(E) Mumbai 400051 Symbol: MEGASOFT
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Dear Sir(s),

Sub: Compliance under Regulation 24(A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

In terms of Regulation 24(A) of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 we enclose Secretarial Compliance Report duly issued by M. Damodaran & Associates, LLP, Practicing Company Secretaries, for the financial year ended March 31, 2024.

This is for your information and records.

Thanking You,

For **Megasoft Limited**

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Shridhar Thathachary
Chief Financial Officer



M DAMODARAN & ASSOCIATES LLP

www.mdassociates.co.in

Secretarial Compliance Report of Megasoft Limited for the financial year ended 31.03.2024 (Pursuant to Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023)

I have conducted the review of the compliance of the applicable statutory provisions and the adherence to good corporate practices by **Megasoft Limited** (hereinafter referred as 'the Company'), having its Registered Office at No.85, Kutchery Road, Mylapore, Chennai – 600 004. Secretarial Review was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and to provide my observations thereon.

Based on my verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Review, I hereby report that the Company has, during the review period covering the financial year ended on **March 31, 2024** complied with the statutory provisions listed hereunder in the manner and subject to the reporting made hereinafter:

I M. Damodaran, Managing Partner of M Damodaran & Associates LLP Practicing Company Secretaries, Chennai have examined:

- a) all the documents and records made available to me and explanation provided by the Company,
- b) the filings/ submissions made by the Company to the stock exchange,
- c) website of the Company,
- d) any other document/ filing, as may be relevant, which has been relied upon to make this certification, for the year ended **March 31, 2024** ("Review Period") in respect of compliance with the provisions of:
 - i. Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the regulations, circulars, guidelines issued there under; and





- ii. Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made there under and the regulations, circulars, guidelines issued there under by the Securities and Exchange Board of India ("SEBI");

The specific Regulations prescribed under the SEBI Act whose provisions and the circulars/guidelines issued thereunder, (wherever applicable), have been examined, include:-

- a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR')
- b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
- c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
- d) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
- e) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.
- f) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

and based on the above examination, I hereby report that, during the review period:

- a. The Company has complied with the provisions of the above regulations and circulars/ guidelines issued thereunder.
- b. The action taken by the Company to comply with the observations made in the previous reports are specified in **Annexure – A:**
- c. The Company has suitably included the conditions as mentioned in paragraph 6.1 and 6.2 of Section V-D of Chapter V of SEBI Master Circular SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023 in terms of appointment of Statutory Auditor of the Company



I hereby further report that, during the review period the compliance status of the Company with the following requirements:

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations/ Remarks by PCS
1.	<p><u>Secretarial Standards:</u> The compliances of the Company are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI).</p>	Yes	Nil
2.	<p><u>Adoption and timely updation of the Policies:</u></p> <ul style="list-style-type: none"> • All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the Company • All the policies are in conformity with SEBI Regulations and has been reviewed & timely updated, as per the regulations/ circulars/ guidelines issued by SEBI. 	Yes	Nil
3.	<p><u>Maintenance and disclosures on Website:</u></p> <ul style="list-style-type: none"> • The Company is maintaining a functional website. • Timely dissemination of the documents/ information under a separate section on the website. • Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re-directs to the relevant document(s)/ section of the website. 	Yes	Nil
4.	<p><u>Disqualification of Director:</u> None of the Director(s) of the Company are disqualified under Section 164 of Companies Act, 2013 as confirmed by the Company.</p>	Yes	Nil

5.	<p><u>Details related to Subsidiaries of the Company have been examined w.r.t.:</u></p> <p>(a) Identification of material subsidiary companies.</p> <p>(b) Disclosure requirement of material as well as other subsidiaries.</p>	Yes	Company does not have any material subsidiary
6.	<p><u>Preservation of Documents:</u></p> <p>The Company is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.</p>	Yes	Nil
7.	<p><u>Performance Evaluation:</u></p> <p>The Company has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year as prescribed in SEBI Regulations.</p>	Yes	Nil
8.	<p><u>Related Party Transactions:</u></p> <p>(a) The Company has obtained prior approval of Audit Committee for all related party transactions;</p> <p>(b) The Company has provided detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit Committee, in case no prior approval has been obtained.</p>	Yes	Nil
9.	<p><u>Disclosure of events or information:</u></p> <p>The Company has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.</p>	Yes	Nil

10.	<p><u>Prohibition of Insider Trading:</u> The Company is in compliance with Regulation 3(5) & 3(6) of SEBI (Prohibition of Insider Trading) Regulations, 2015.</p>	Yes	Nil
11.	<p><u>Actions taken by SEBI or Stock Exchange(s), if any:</u> No action(s) has been taken against the Company / its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder.</p>	NA	No action(s) has been taken against the Company / its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges
12.	<p><u>No additional non-compliances observed:</u> No additional non-compliance observed under any of the SEBI regulations/circulars/guidance notes etc.</p>	Yes	Nil

I hereby further report that, in the Annual Secretarial Compliance Report for the FY 2020-21, I have made the observation regarding the non-compliance under regulation 17(1)(c) of SEBI LODR. The Company has filed the waiver application to the NSE after making the payment of fine amount for the above said non-compliance. Subsequently, the Company has received the approval of the above waiver application from NSE in its favour on 13th September, 2023 and also received back the fine amount on 05th January, 2024.





Assumptions & Limitation of scope and Review:

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the Company.
2. My responsibility is to report based upon my examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. I have not verified the correctness and appropriateness of financial Records and Books of Accounts of the Company.
4. This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and 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.

Place: Chennai
Date: 15.05.2024

For **M DAMODARAN & ASSOCIATES LLP**

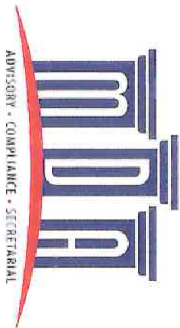
M. DAMODARAN
Managing Partner
Membership No.: 5837
COP. No.: 5081
FRN: L2019TN006000
PR 3847/2023
ICSI UDIN:F005837F000370179



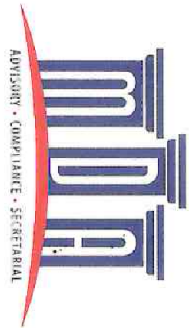
Annexure - A

The Company has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Observation s/ Remarks of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended 31.03.2023 (the years are to be mentioned)	Compliance Requirement (Regulations/circulars/ guidelines including specific clause)	Details of violation / deviations and actions taken / penalty imposed, if any, on the listed entity	Remedial actions, if any, taken by the listed entity	Comments of the PCS on the actions taken by the listed entity
1.	-	<p>The Audit Committee was not constituted with at least two-thirds of the independent directors for the quarter ended 30.06.2022 as required u/r. 18(1) (b) of SEBI LODR.</p> <p>The Company had paid the penalty amount of ₹ 2,14,760/- to BSE Ltd and National Stock Exchange of India Ltd., respectively with respect to non-compliance of the Audit Committee constitution.</p>	<p>As per regulation 18(1) (b) of SEBI LODR, at least two-thirds of the members of the Audit Committee shall be Independent Directors.</p>	<p>The Audit Committee was not constituted with at least two-thirds of the independent directors for the quarter ended 30.06.2022 as required u/r. 18(1) (b) of SEBI LODR. The Company had paid the penalty amount of ₹ 2,14,760/- to BSE Ltd and National Stock Exchange of India Ltd., respectively with respect to non-compliance of Audit Committee constitution.</p>	<p>The Audit Committee was properly constituted as required u/r 18 (1) (b) of SEBI LODR w.e.f 17.09.2022.</p>	<p>The Audit Committee was properly constituted as required u/r 18 (1) (b) of SEBI LODR w.e.f 17.09.2022.</p>



2.	-	<p>The Audit Committee was not constituted with at least two-thirds of the independent directors for the period 01.07.2022 to 16.09.2022 as required u/r. 18(1) (b) of SEBI LODR.</p> <p>The Company had paid the penalty amount of ₹ 1,84,080/- to BSE Ltd and National Stock Exchange of India Ltd., respectively with respect to non-compliance of the Audit Committee constitution.</p>	<p>As per regulation 18(1) (b) of SEBI LODR, at least two-thirds of the members of the Audit Committee shall be Independent Directors.</p>	<p>The Audit Committee was not constituted with at least two-thirds of the independent directors for the period 01.07.2022 to 16.09.2022 as required u/r. 18(1) (b) of SEBI LODR.</p> <p>The Company had paid the penalty amount of ₹ 1,84,080/- to BSE Ltd and National Stock Exchange of India Ltd., respectively with respect to non-compliance of Audit Committee constitution.</p> <p>This SOP fine was waived by the Waiver Committee and it was subsequently adjusted against Annual Listing Fees for the FY 2024-25.</p>	<p>The Audit Committee was properly constituted as required u/r 18 (1) (b) of SEBI LODR w.e.f 17.09.2022.</p>	<p>The Audit Committee was properly constituted as required u/r 18 (1) (b) of SEBI LODR w.e.f 17.09.2022.</p>
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3.	-	The board of directors was constituted with six directors as required u/r 17(1) (c) of SEBI LODR except for the period from 08.10.2022 to 30.12.2022 during the review period when one of director had resigned.	As per regulation 17(1) (c) of SEBI LODR, the top 2000 listed entities shall comprise of not less than six directors.	The board of directors was constituted with six directors as required u/r 17(1) (c) of SEBI LODR except for the period from 08.10.2022 to 30.12.2022 during the review period when one of director had resigned.	The board of directors was properly constituted with six directors as required u/r 17 (1) (c) of SEBI LODR with minor deviation.	The Company has subsequently complied with the requirement of provisions u/r 17 (1) (c) of SEBI LODR.
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