

26<sup>th</sup> May, 2023

National Stock Exchange of India Limited  
Exchange Plaza, Bandra Kurla Complex, Mumbai  
Kind Attn: Manager, Listing Department  
Stock Code - SONATSOFTW

BSE Limited  
P.J. Towers, Dalal Street, Mumbai  
Kind Attn: Manager, Listing Department  
Stock Code - 532221

Dear Sirs/Madam,

**Sub: Annual Secretarial Compliance Report for the year ended 31<sup>st</sup> March, 2023**

Pursuant to the Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are attaching herewith the Annual Secretarial Compliance Report for the year ended 31<sup>st</sup> March 2023.

Please take the same on your record.

Thanking you,

Yours faithfully

**For Sonata Software Limited**

**Mangal Kulkarni**

**Company Secretary, Compliance Officer and Head Legal**

**Secretarial compliance report of Sonata Software Limited  
for the year ended March 31, 2023**

I have examined:

- (a) all the documents and records made available to me and explanation provided by Sonata Software Limited (“the listed entity”),
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

for the year ended **March 31, 2023** (“Review Period”) in respect of compliance with the provisions of:

- (a) the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) and the Regulations, circulars, guidelines issued thereunder; and
- (b) the Securities Contracts (Regulation) Act, 1956 (“SCRA”), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India (“SEBI”);

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (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 (Buy-back of Securities) Regulations, 2018; (Not applicable to the listed entity during the Review Period)
- (e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (f) Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021 (Not applicable to the listed entity during the Review Period);
- (g) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

and circulars/ guidelines issued thereunder;

and based on the above examination, I hereby report that, during the Review Period:

- (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder except in respect of matters specified below:-

Sl No	Compliance Requirement (Regulations/circulars/guidelines including specific clause)	Regulation/Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations/Remarks of the Practicing Company Secretary	Management Response	Remarks
None										

- (b) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sl No	Compliance Requirement (Regulations/circulars/guidelines including specific clause)	Regulation/Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations/Remarks of the Practicing Company Secretary	Management Response	Remarks
None										

Additional affirmations by Practicing Company Secretaries (PCS) in Annual Secretarial Compliance Report (ASCR) in terms of the Circular no. NSE/CML/ 2023/21 dated March 16, 2023 R/w. Circular Ref No: NSE/CML/ 2023/30 dated April 10, 2023 of NSE and Notice No. 20230316-14 dated March 16, 2023 r/w. Notice No. 20230410-41 dated April 10, 2023 of BSE:

Sr. No.	Particulars	Compliance status (Yes/No/NA)	Observations/Remarks by PCS
1.	<u>Secretarial Standards:</u> The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries of India (ICSI)	Yes	
2.	<u>Adoption and timely updation of the Policies:</u> <ul style="list-style-type: none"> <li>• All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entity</li> <li>• All the policies are in conformity with SEBI Regulations and has been reviewed &amp; timely updated as per the regulations/circulars/guidelines issued by SEBI</li> </ul>	Yes	

3.	<p><u>Maintenance and disclosures on Website:</u></p> <ul style="list-style-type: none"> <li>• The Listed entity is maintaining a functional website</li> <li>• Timely dissemination of the documents/ information under a separate section on the website</li> <li>• 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</li> </ul>	Yes	
4.	<p><u>Disqualification of Director:</u> The Directors of the Company are not disqualified under Section 164 of Companies Act, 2013</p>	Yes	
5.	<p><u>To examine details related to Subsidiaries of listed entities:</u> (a) Identification of material subsidiary companies (b) Requirements with respect to disclosure of material as well as other subsidiaries</p>	a) Yes b) Yes	
6.	<p><u>Preservation of Documents:</u> The listed entity 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	
7.	<p><u>Performance Evaluation:</u> The listed entity 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	As per SEBI LODR and Companies Act, 2013, the Board Evaluation is required to be done once in a year. Accordingly, the Company has conducted the Performance Evaluation in the last quarter of the review period.
8.	<p><u>Related Party Transactions:</u> (a) The listed entity has obtained prior approval of Audit Committee for all Related party transactions (b) In case no prior approval obtained, the listed entity shall provide detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit committee</p>	a) Yes b) Not applicable	
9.	<p><u>Disclosure of events or information:</u> The listed entity 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	

10.	<b><u>Prohibition of Insider Trading:</u></b> The listed entity is in compliance with Regulation 3(5) & 3(6) of SEBI (Prohibition of Insider Trading) Regulations, 2015	Yes	
11.	<b><u>Actions taken by SEBI or Stock Exchange(s), if any:</u></b> No Actions taken against the listed entity/ 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	Yes	No Actions taken by SEBI/Stock exchanges during the review period.
12.	<b><u>Additional Non-compliances, if any:</u></b> No any additional non-compliance observed for all SEBI regulation/circular/guidance note etc. (in respect of above specific Regulations)	Yes	No additional non-compliance observed during the review period.

The listed entity has reported that clause 6(A) and 6(B) of the circular No. CIR/CFD/CMD1/114/2019 dated October 18, 2019 issued by the Securities and Exchange Board of India on "Resignation of statutory auditors from listed entities and their material subsidiaries" have been complied with in respect of the appointment of statutory auditors made during the review period.

Place: Bengaluru  
Date: May 15, 2023

  
**P.G. HEGDE**  
**Hegde & Hegde**  
**Company Secretaries**  
**FCS: 1325/C.P.No.640**  
**UDIN: F001325E000305684**