



Date: 26.05.2023

## MEGASOFT LIMITED

CIN : L24100TN1999PLC042730

My Home Hub, 1st Floor, Block-3,

Madhapur, Hyderabad - 500081,

Telangana, India.

Tel : +91 (40) 4033 0000; Fax : +91 (40) 4013 3555

email : investors@megasoft.com

website : www.megasoft.com

To

**BSE Limited**

Phiroze JeeJee Bhoj 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**

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,2023.

This is for your information and records.

Thanking You,

For **Megasoft Limited**

Shridhar  
Thathachary

Digitally signed by  
Shridhar  
Thathachary  
Date: 2023.05.26  
16:15:35 +05'30'

**Shridhar Thathachary**  
**Chief Financial Officer**



## M DAMODARAN & ASSOCIATES LLP

www.mdassociates.co.in

### Secretarial Compliance Report of Megasoft Limited for the financial year ended 31.03.2023

*(Pursuant to Regulation 24A of the Securities and Exchange Board of India  
(Listing Obligations and Disclosure Requirements) Regulations, 2015 read with  
SEBI Circular No. CIR/CFD/CMD1/27/2019 dated February 08, 2019)*

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, 2023** complied with the statutory provisions listed hereunder in the manner and subject to the reporting made hereinafter :

I, M Damodaran & Associates LLP, Practicing Company Secretaries, have examined:

- a) all the documents and records made available to me and explanation provided by **Megasoft Limited** ("the Company"),
- b) the filings/ submissions made by the Company to the stock exchanges,
- 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, 2023** ("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- *Not Applicable during the review period.*
- c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
- d) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021- *Not Applicable during the review period.*
- e) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021- *Not Applicable during the review period.*
- f) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
- g) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993
- h) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.
- i) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - *Not Applicable during the review period.*
- j) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - *Not Applicable during the review period.*

and circulars/ guidelines issued thereunder;

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, except in respect of matters specified in **Annexure - A**:
- b) The Company was not required to take any actions as there were no observations made by the Secretarial Auditor in previous reports.
- c) The Company has suitably included the conditions as mentioned in Para 6(A) and Para 6(B) of the SEBI Circular CIR/CFD/CMD1/114/2019, dated October 18, 2019 in terms of re-appointment Statutory Auditors of the Company during the review period.





I hereby further report that, during the Review Period the compliance status of the Company is as below:

| Sr. No. | Particulars   | Compliance Status (Yes/No/NA) | Observations/Remarks |
|---------|---|-------------------------------|----------------------|
| 1.      | <p><u>Secretarial Standards:</u><br/>The compliances of the Company are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI), as notified by the Central Government under section 118(10) of the Companies Act, 2013 and mandatorily applicable.</p>  | Yes                           | Nil                  |
| 2.      | <p><u>Adoption and timely updation of the Policies:</u></p> <ul style="list-style-type: none"> <li>• All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the Company</li> <li>• All the policies are in conformity with SEBI Regulations and have been reviewed &amp; updated on time, as per the regulations/ circulars/ guidelines issued by SEBI.</li> </ul>   | Yes                           | Nil                  |
| 3.      | <p><u>Maintenance and disclosures on Website:</u></p> <ul style="list-style-type: none"> <li>• The Company 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                           | Nil                  |
| 4.      | <p><u>Disqualification of Director:</u><br/>None of the Director(s) of the Company is 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><br/>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><br/>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; or</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> | Not Applicable | Nil   |
| 9. | <p><u>Disclosure of events or information:</u><br/>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. | <u>Prohibition of Insider Trading:</u><br>The Company is in compliance with Regulation 3(5) & 3(6) of SEBI (Prohibition of Insider Trading) Regulations, 2015.   | Yes | Nil                        |
| 11. | <u>Actions taken by SEBI or Stock Exchange(s), if any:</u><br><br>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. | Yes | As per <b>Annexure - A</b> |
| 12. | <u>Additional Non-compliances, if any:</u><br>No additional non-compliance observed under any other SEBI regulations/circulars/guidance notes etc.   | Yes | -                          |

**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: 26.05.2023

For **M DAMODARAN & ASSOCIATES LLP**

M. DAMODARAN  
Managing Partner  
Membership No.: 5837  
COP. No.: 5081  
FRN: L2019TN006000  
PR 1374/2021  
ICSI UDIN: F005837E000384468

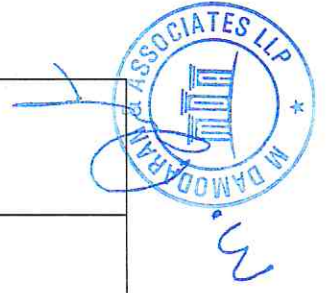




**Annexure - A**

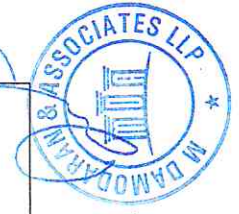
**The Company has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below;**

| Sr. No. | Compliance Requirement (Regulations/ circulars / guidelines including specific clause)  | Regulation /Circular No.           | Deviations  | Action Taken by | Type of Action (Advisory /Clarification/Fine/Show Cause Notice/ Warning, etc.) | Details of Violation as per BSE and NSE Notice  | Fine Amount  | Observations/Remarks of the Practicing Company Secretary  | Management Response   | Remarks |
|---------|---|------------------------------------|---|-----------------|--|---|--|---|---|---------|
| 1.      | As per Regulation 18(1) (b) of SEBI LODR, at least two-thirds of the members of audit committee shall be independent directors. | Regulation 18(1) (b) of SEBI LODR. | 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. | BSE & NSE       | Fine   | 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 read with the FAQs issued by exchange. | Penalty amount of ₹ 2,14,760/- paid to BSE Ltd and National Stock Exchange of India Ltd., respectively | 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 non-compliance of Audit Committee constitution. | The Audit Committee was properly constituted as required u/r 18 (1) (b) of SEBI LODR w.e.f 17.09.2022 | Nil     |





|    |   |   |   |           |      |  |  |   |   |     |
|----|---|---|---|-----------|------|--|--|---|---|-----|
| 2. | As per Regulation 18(1) (b) of SEBI LODR, at least two-thirds of the members of audit committee shall be independent directors. | Regulation 18(1) (b) of SEBI LODR.        | 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.                    | BSE & NSE | Fine | 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 read with the FAQs issued by exchange. | Penalty amount of ₹ 1,84,080/- paid to BSE Ltd and National Stock Exchange of India Ltd., respectively | 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. 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. | The Audit Committee was properly constituted as required u/r 18 (1) (b) of SEBI LODR w.e.f 17.09.2022 | Nil |
| 3. | As per Regulation 17(1) (c) of SEBI LODR, the top 2000 listed entities shall comprise of not less than six directors.           | As per Regulation 17(1) (c) of SEBI LODR, | The board of directors was constituted with six directors as required u/r 17(1) (c) of SEBI LODR except from 08.10.2022 to 30.12.2022 during the review period when one of director had resigned. | -         | -    | The board of directors was constituted with six directors as required u/r 17(1) (c) of SEBI LODR except from 08.10.2022 to 30.12.2022 during the review period when one of director had resigned.                    | NA   | The board of directors was properly constituted with six directors as required u/r 17 (1) (c) of SEBI LODR during the review period when one of director had resigned.  | Nil   |     |



3