



**MEGASOFT LIMITED**

CIN: L24100TN1999PLC0427320

85, Kutchery Road, Mylapore, Chennai 600004, Tamil Nadu, India.

www.megasoft.com

**Notice of the 22<sup>nd</sup> Annual General Meeting**

**Notice** is hereby given that the **22<sup>nd</sup> Annual General Meeting (AGM)** of the Members of **MEGASOFT LIMITED** will be held on Friday, the 23<sup>rd</sup> September, 2022, at 10.00 a.m. IST through Video Conferencing ("**VC**") / Other Audio-Visual Means ("**OAVM**") to transact the following businesses:-

**Ordinary Business:**

**(1) Adoption of Financial Statements**

To receive, consider and adopt:

- (i) The Audited Financial Statements of the Company for the year ended 31<sup>st</sup> March, 2022, the report of the Auditors thereon and the Directors' Report.
- (ii) The Audited Consolidated Financial Statements of the Company for the year ended 31<sup>st</sup> March, 2022 and the report of the Auditors thereon.

**(2) Re-appointment of Director**

To appoint a Director in place of Mr. Sunil Kumar Kalidindi (DIN- 02344343), who retires by rotation and, being eligible, offers himself for re-appointment.

**(3) Re-appointment of Statutory Auditors of the Company for a second term of five years**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as Ordinary Resolution:

**"RESOLVED THAT** pursuant to Section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 as amended from time to time M/s. N.C. Rajagopal & Co. Chartered Accountants ICAI Firm Registration No. 003398S, Chennai, Tamil Nadu be and is hereby re-appointed as the Statutory Auditors of the Company for a second term of 5 (Five) years to hold office from the conclusion of this 22<sup>nd</sup> Annual General Meeting until the conclusion of the 27<sup>th</sup> Annual General Meeting of the Company."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to fix such remuneration plus service tax, out of pocket and travelling expenses, etc. as may be mutually agreed between the Board of Directors of the Company and the Auditors based on the recommendation of the Audit/ Risk & Compliance Committee."

## Special Business

### (4) Appointment of Branch Auditor

To consider and if thought fit, to pass, with or without modification(s), the following resolution as Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of section 143 (8) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, and the Rules framed thereunder, the Board be and is hereby authorized to appoint from time to time Branch Auditors of any Branch office of the Company, whether existing or which may be opened/acquired hereafter outside India, based on the recommendation of the Audit/ Risk & Compliance Committee, in consultation with the Company’s Auditors, any person(s) qualified to act as Branch Auditor within meaning of section 143(8) of the Companies Act, 2013 and to fix their remuneration.”

### (5) Appointment of Mr. Suryanarayana Raju Nandyala as an Independent Director (Non-Executive) of the Company:

To consider and if thought fit, to give assent/ dissent to the following Resolution as **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152, 197, 198 read with Schedule-IV and V thereto and other applicable provisions of the Companies Act, 2013 and the rules framed there under (including any statutory modification(s) or re-enactment thereof), relevant applicable regulation(s) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and also provisions of Articles of Association of the Company, and on the basis of the recommendation of the Nomination and Remuneration Committee and consent of the Board of Directors at their Meetings held on 30<sup>th</sup> May 2022, the approval of the Members of the Company be and is hereby accorded for appointment of Mr. Suryanarayana Raju Nandyala (DIN-01581731), as an Independent Director (Non-Executive) of the Company not liable to retire by rotation and to hold office for a period of 5 consecutive years i.e. upto 22<sup>nd</sup> September, 2027.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby severally authorized to sign the requisite forms/ documents and to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolution.”

### (6) Increase in overall managerial remuneration limits:

To consider and, if thought fit, with or without modification, to pass the following resolution as a Special Resolution:

**“RESOLVED THAT** in accordance with the provisions of Section 197 of the Companies Act, 2013 as amended by the Companies (Amendment) Act, 2017, read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the recommendation of Nomination and Remuneration Committee and Board of Directors of the Company at their meeting held on 08<sup>th</sup> August, 2022, approval of the members of the Company be and is hereby accorded to increase the overall limit of managerial remuneration payable beyond specified limits under Section 197 of Companies Act 2013 in respect of any financial year as per notification issued by Ministry of Corporate Affairs (MCA) dated 12 September 2018 under notified provisions of the Companies (Amendment) Act, 2017 (Amendment Act, 2017) and amended schedule V of Companies Act, 2013 thereby Part I and Part II related to conditions to be fulfilled for the Appointments and Remuneration of a

Managing or Whole-time director or a Manager without the approval of the Central Government but by the approval of members in the general meeting via special resolution .

**RESOLVED FURTHER THAT** where in any Financial Year, the Company has no profits or profits are inadequate, the overall managerial remuneration paid to Directors shall not exceed Rs. 2,50,00,000 (Rupees Two Crores Only) per annum.

**“RESOLVED FURTHER THAT** for the purpose of giving effect to the foregoing resolutions, the Board of Directors (which term shall be deemed to include any Committee of the Board authorized in the said behalf) be and is hereby authorized to do all such acts, deeds and things, as it may in absolute discretion deem necessary, proper or desirable , and to settle any question, difficulty or doubt that may arise in respect to aforesaid without being required to seek any further consent or approval of the Members of the Company, or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

**(7) Increase in managerial remuneration payable to Mr. Sunil Kumar Kalidindi, Executive Director & CEO of the Company:**

To consider and, if thought fit, with or without modification, to pass the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of section 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 (**“Act”**) read with Schedule V to the Act and the rules made thereunder, including any statutory modification thereof, and relevant rules read with SEBI (Listing Obligations Disclosure Requirements) Regulations, 2015 and on the basis of the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors at their Meetings held on 08th August, 2022 and subject to the approval of the Central Government, if any, the approval of the Members of the Company be and is hereby accord to increase the managerial remuneration payable to Mr. Sunil Kumar Kalidindi (DIN: 02344343) Executive Director & CEO of the Company from Rs. 30 lakhs per annum to Rs 75 lakhs per annum despite inadequacy or absence of profits and is over and above the statutory limit of 5% of the Net Profits of the Company calculated as per Section 198 of the Companies Act, 2013 for a period of three years commencing from the date of the ensuing Annual General Meeting on the following terms and conditions:

(i) Salary: Rs. 3,50,000/- per month

(ii) Perquisites

- a. House Rent Allowance upto 50% Salary
- b. Reimbursement of medical expenses as per the rules of the Company
- c. Leave travel concession/allowance as per the rules of the Company
- d. Group Mediciam Insurance Coverage as per the rules of the Company
- e. Group personal Accident Insurance Coverage as per the rules of the Company
- f. other allowances as per the rules of the Company

(iii) Other benefits:

- a. leave with Salary as per the rules of the Company
- b. Provident fund as per the rules thereof
- c. Gratuity as per the rules of the Company
- d. Encashment of Leave as per the rules of the Company

**“RESOLVED FURTHER THAT** the Board of Directors (which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution), be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

**“RESOLVED FURTHER THAT** the terms of remuneration as set out in the Explanatory Statement of this Resolution shall be deemed to form part hereof and in the event of any inadequacy or absence of profits in any financial year or years, the aforementioned remuneration comprising salary, perquisites and benefits approved herein be continued to be paid as minimum remuneration to Mr. Sunil Kumar Kalidindi (DIN: 02344343) Executive Director & CEO of the Company, subject to such other approvals as may be necessary.”

**“RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers conferred on it by or under this Resolution to any Committee of Directors of the Company or to any Director of the Company or any other officer or employee of the company as it may consider appropriate in order to give effect to this resolution including filing of necessary forms/returns with the Ministry of Corporate Affairs/ Stock Exchanges/ other authorities concerned.”

By order of the Board of Directors  
For **Megasoft Limited**

.....  
**Sunil Kumar Kalidindi**  
(DIN: 02344343)  
Executive Director & CEO

Place: Hyderabad

Date: 08th August, 2022

## **NOTES:**

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs (MCA) vide Circular No. 02/2021 dated January, 13, 2021 and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January, 15, 2021 had permitted Companies to conduct Annual General Meeting (AGM) during the year 2022 through video conferencing (VC) or Other Audio Visual Means (OAVM), without the physical presence of the members at common venue. In compliance with the MCA Circular No. 14/2020 dated April 8, 2020, Circular No. 17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020, Circular No. 02/2021 dated January, 13, 2021, Circular No. 20/2021 dated December 08, 2021 and Circular No. 2/2022 dated May 05, 2022 (MCA Circulars) and Securities and Exchange Board of India (SEBI) vide Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 Circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January, 15, 2021 and Circular No. SEBI/HO/DDHS/DDHS\_Div2/P/CIR/2022/079 dated June 03, 2022 applicable provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the 22<sup>nd</sup> AGM of the Company is being convened and conducted through VC/ OAVM. The deemed venue of the AGM shall be the Registered Office of the Company.
2. Pursuant to 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 SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. A statement pursuant to Section 102(1) of the Companies Act, 2013 relating to certain ordinary business and the special businesses to be transacted at the 22<sup>nd</sup> AGM is annexed hereto. All documents referred to in the accompanying Notice and the Explanatory Statement shall be available for inspection electronically. Members seeking to inspect such documents can send an email to investors@megasoft.com.
4. Since the 22<sup>nd</sup> AGM is being held through VC/ OAVM, the route map of the venue of the Meeting is not annexed to this Notice.
5. As per the provisions under the MCA Circulars, Members attending the 22<sup>nd</sup> AGM through VC/ OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013. The Company has appointed Mr. M Damodaran & Associates, LLP, to act as the Scrutinizer, to scrutinize the e-voting process in a fair and transparent manner.
6. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, Circular No. 2/2022 dated May 05, 2022 and Circular No. SEBI/HO/DDHS/DDHS\_Div2/P/CIR/2022/079 dated June 03, 2022, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
7. The Scrutinizer will, after the conclusion of e-voting at the Meeting, scrutinize the votes cast at the Meeting and votes cast through remote e-voting, make a consolidated Scrutinizer's Report and submit the same to the Chairman. The result of e-voting will be declared within 48 hours of the conclusion of the Meeting and the same, along with the consolidated scrutinizer's Report will be placed on the website of the company [www.megasoft.com](http://www.megasoft.com) and on the website of CDSL at <https://evoting.india.com>. The results will simultaneously be communicated to the stock exchanges.
8. The Register of Members and Share Transfer books will remain closed from Saturday, September 17, 2022 to Friday, September 23, 2022 (both days inclusive).

9. Members may note that pursuant to the General Circular No. 20/2020 dated May 5, 2020 Circular No. 2/2022 dated May 05, 2022 issued by the MCA and and Circular No. SEBI/HO/DDHS/DDHS\_Div2/P/CIR/2022/079 dated June 03, 2022 issued by SEBI, the Company has enabled a process for the limited purpose of receiving the Company's Annual Report and Notice for the Annual General Meeting (including remote e-voting instructions) electronically, and Members may temporarily update their email address by sending email at investor@cameoindia.com.
10. After due verification and receipt of email address updation request, the Company will send the annual report at your registered email address.
11. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending further communication(s).
12. Members who are holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or its Registrar and Share Transfer Agent the details of such folios together with the share certificates for consolidating their holding in one folio. The share certificates will be returned to the Members after making requisite changes, thereon. Members are requested to use the share transfer form SH-4 for this purpose.
13. In accordance with the proviso to Regulation 40(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, effective from April 1, 2019, transfers of securities of the Company shall not be processed unless the securities are held in the dematerialized form with a depository. Accordingly, members holding equity shares in physical form are urged to have their shares dematerialized so as to be able to freely transfer them and participate in corporate actions.
14. Non-resident Indian members are requested to inform about the following immediately to the Company or its Registrar and Share Transfer Agent or the concerned Depository Participant, as the case may be:- a) the change in the residential status on return to India for permanent settlement, and b) the particulars of the NRE account with a Bank in India, if not furnished earlier.
15. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The Nomination Form SH-13 prescribed by the Government can be obtained from the Registrar and Share Transfer Agent or the Secretarial Department of the Company at its registered office.
16. The following documents will be available for inspection by the Members electronically during the 22nd AGM: a) Register of Directors and Key Managerial Personnel and their shareholding, and the Register of Contracts or Arrangements in which the Directors are interested, maintained under the Companies Act, 2013. Members seeking to inspect such documents can send an email to investors@megasoft.com.
17. In case of any queries regarding the Annual Report, the Members may write to investors@megasoft.com to receive an email response.
18. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on a first come first served basis. This will not include large members (members holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
19. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.megasoft.com. The Notice can also be

accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).

#### **I. DISPATCH OF ANNUAL REPORT THROUGH ELECTRONIC MODE:**

1. In compliance with the MCA Circulars and SEBI Circulars aforementioned the notice of the 22nd AGM along with the Annual Report 2021-22 are being sent only by electronic mode to those Members whose e-mail addresses are registered with the Company/ Depositories. Members may please note that this Notice and Annual Report 2021-22 will also be available on the Company's website at <http://www.megasoft.com/reports.html>, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively.
2. Members who have not registered their e-mail address are requested to register the same in respect of shares held in electronic form with the Depository through their Depository Participant(s) and in respect of shares held in physical form by writing to the Company's Registrar and Share Transfer Agent, Cameo Corporate Services Limited, Subramanian Building" No.1 Club House Road Chennai-600002, Tamilnadu at [investor@cameoindia.com](mailto:investor@cameoindia.com)

#### **II. THE INSTRUCTIONS OF MEMBERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM AND JOINING MEETING THROUGH VC/ OAVM ARE AS UNDER:**

1. Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, as amended, and Regulation 44 of SEBI Listing Regulations, the Company has provided the facility to Members to exercise their right to vote by electronic means both through remote e-voting ("remote e-voting") and e-voting during the AGM.
2. In case of joint holders attending the Meeting, only such joint holders who are higher in the order of names will be entitled to vote.
3. The voting period begins on Monday, September 19, 2022 at 9.00 a.m. and ends on Thursday, September 22, 2022 at 5.00 p.m. During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date Friday, September 16, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
4. Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242** dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its members, in respect of all members' resolutions. However, it has been observed that the participation by the public non-institutional members / retail members is at a negligible level.
5. Currently, there are multiple e-voting service providers (ESPs) providing e-voting facilities to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the members.
6. In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat**

**accounts/ websites of Depositories/ Depository Participants.** Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

7. In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. members are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

8. Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meeting is given below:

➤ **For Individual members holding securities in Demat mode:**

<b>Type of members</b>	<b>Login Method</b>
Individual members holding securities in Demat mode with <b>CDSL Depository</b>	<ul style="list-style-type: none"> <li>i. Users who have opted for CDSL’s Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URLs for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>ii. After successful login the Easi / Easiest user will be able to see the e-Voting Menu. On clicking the e-voting menu, the user will be able to see his/her holdings along with links of the respective e-Voting service provider i.e. CDSL/ NSDL/ KARVY/ LINK INTIME as per information provided by Issuer / Company. Additionally, we are providing links to e-Voting Service Providers, so that the user can visit the e-Voting service providers’ site directly.</li> <li>iii. If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi./Registration/ EasiRegistration">https://web.cdslindia.com/myeasi./Registration/ EasiRegistration</a></li> <li>iv. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be provided links for the respective ESP where the e-Voting is in progress during or before the AGM.</li> </ul>
Individual member s holding securities in demat mode with <b>NSDL Depository</b>	<ul style="list-style-type: none"> <li>i. If you are already registered for the NSDL IDeAS facility, please visit the e-Services website of NSDL. Open a web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting ” under e-Voting services and you will be able to see the e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ul>



	<p>ii. If the user is not registered for IDEAS e-Services, option to register is available at <a href="https://eservices.nSDL.com">https://eservices.nSDL.com</a>. Select "Register Online for IDEAS "Portal or click at <a href="https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>iii. Visit the e-Voting website of NSDL. Open a web browser by typing the following URL: <a href="https://www.evoting.nSDL.com/">https://www.evoting.nSDL.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to the NSDL Depository site wherein you can see the e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</p>
Individual members (holding securities in demat mode) login through their <b>Depository Participants</b>	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After successful login, you will be able to see e-Voting options. Once you click on the e-Voting option, you will be redirected to the NSDL/CDSL Depository site after successful authentication, wherein you can see the e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider's website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

**Helpdesk for Individual members holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL**

<b><u>Login type</u></b>	<b><u>Helpdesk details</u></b>
Individual members holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cDSLindia.com">helpdesk.evoting@cDSLindia.com</a> or contact at toll free no. 1800 22 55 33
Individual members holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nSDL.co.in">evoting@nSDL.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

➤ **For non-individual members and physical members**

- i. The members should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- ii. Click on Shareholders.
- iii. Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID
  - c. Members holding shares in Physical Form should enter Folio Number registered with the company.
- iv. Next enter the Image Verification as displayed and Click on Login.

- v. If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- vi. If you are a first time user follow the steps given below:

	<b>For Physical members and other than individual members holding shares in Demat.</b>
PAN	<ul style="list-style-type: none"> <li>i. Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat members as well as physical members )</li> <li>ii. members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	<ul style="list-style-type: none"> <li>i. Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</li> <li>ii. If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

- vii. After entering these details appropriately, click on “SUBMIT” tab.
- viii. members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in Demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the Demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- ix. For members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- x. Click on the EVSN for the Megasoft Limited on which you choose to vote.
- xi. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xii. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xiii. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- xiv. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xv. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- xvi. If a Demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xvii. Facility for Non – Individual members and Custodians –Remote Voting

a. Non-Individual members (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required

- to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
- b. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - c. After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - d. The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - e. A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - f. Alternatively Non Individual members are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [investors@megasoft.com](mailto:investors@megasoft.com) , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**III. INSTRUCTIONS FOR ATTENDING THE AGM THROUGH VC/ OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meetings & e-Voting on the day of the AGM is the same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend the meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. members who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. members are encouraged to join the Meeting through Laptops / iPads for better experience.
5. Further members will be required to allow cameras and use the Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. members who would like to express their views/ ask questions during the meeting may register themselves as a speaker by sending their request in advance at least Seven (7) days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [investors@megasoft.com](mailto:investors@megasoft.com). The members who do not wish to speak during the AGM but have queries may send their queries in advance Seven (7) days prior to meeting mentioning their name, demat account number/ folio number, email id, mobile number at [investors@megasoft.com](mailto:investors@megasoft.com). These queries will be replied to by the company suitably by email.

8. Those members who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the meeting.
9. Only those members , who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the members through the e-voting available during the AGM and if the same members have not participated in the meeting through VC/OAVM facility, then the votes cast by such members shall be considered invalid as the facility of e-voting during the meeting is available only to the members attending the meeting.

**IV. PROCESS FOR THOSE MEMBERS WHO'S EMAIL ADDRESSES IS NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:**

1. For Physical members- please provide necessary details like Folio No., Name of members, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to investors@megasoft.com.
2. For Demat members -Please update your email id & mobile no. with your respective Depository Participant (DP).
3. For Individual Demat members – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meeting through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.

## **EXPLANATORY STATEMENT**

(Pursuant to Section 102 of the Companies Act, 2013)

Annexed to the Notice convening the 22<sup>nd</sup> Annual General Meeting to be held on 23<sup>rd</sup> September, 2022

### **Item No.3 – Re-appointment of Statutory Auditors of the Company for a second term of five years**

M/s. N.C. Rajagopalan & Co. Chartered Accountants, ICAI Firm Registration No. 003398S, Chennai were appointed as the Statutory Auditors of the Company at the 17<sup>th</sup> Annual General Meeting held on 28<sup>th</sup> July,2017 for a term of 5 years and they hold office upto conclusion of the ensuing Annual General Meeting of the Company and are eligible for reappointment for a further period of 5 years.

Further, the Company received the consent thereto along with a declaration from M/s. N.C. Rajagopal & Co., Chartered Accountants to the effect that if they will be appointed, it would be in accordance with the provisions of Section 141 of the Companies Act,2013 and the rules framed thereunder for appointment as Statutory Auditors of the Company. As confirmed by the Audit Committee and stated in their report on financial statements, the Auditors have reported their independence from the Company and its subsidiary according to the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') and the ethical requirements relevant to audit and the firm holds the 'Peer Review' certificate as issued by 'ICAI.

The Board of Directors in consultation with the Audit Committee may fix, alter and vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Statutory Auditors.

Based on the recommendations of the Audit Committee and the Board of Directors, it is hereby proposed to re-appoint M/s. N.C. Rajagopalan & Co. Chartered Accountants for a second and final term of five consecutive years, who, if appointed, shall hold office from the conclusion of this 22<sup>nd</sup> AGM till the conclusion of the 27<sup>th</sup> AGM of the Company.

The Board recommends the resolution set out at Item No. 3 of the Notice for approval by the Members by way of an Ordinary Resolution

None of the Directors or Key Managerial Personnel or their relatives is concerned or interested in the Resolution.

Your Directors, therefore, recommend the resolution for your approval as Ordinary Resolution.

### **Item No.4 – Appointment of Branch Auditor**

The Company has branches outside India and may also open/ acquire new branches outside India in future. It may be necessary to appoint branch auditors for carrying out the audit of the accounts of such branches to meet the compliance of laws applicable in those countries. The Members are requested to authorize the Board of Directors of the Company to appoint branch auditors in consultation with the Company's Auditors and fix their remuneration.

None of the Directors or Key Managerial Personnel or their relatives is concerned or interested in the Resolution.

Your Directors, therefore, recommend the resolution for your approval as Ordinary Resolution.

**Item No.5 – Appointment of Mr. Suryanarayana Raju Nandyala as an Independent Director (Non-Executive) the Company**

Mr. Suryanarayana Raju Nandyala was appointed as an Additional Director (Non-Executive) of the Company with effect from 24<sup>th</sup> December, 2021, in accordance with the provisions of section 161 of the Companies Act, 2013 read with the Articles of Association of the Company. Pursuant to Section 161 of the Companies Act, 2013 relevant rules, read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and holds office only up to the date of the ensuing Annual General Meeting of the Company.

The matter regarding appointment of Mr. Suryanarayana Raju Nandyala was placed before the Nomination & Remuneration Committee, and considering his varied experience, skills, knowledge & capabilities, it recommended his appointment as Independent Director for a term of 5 years upto 22<sup>nd</sup> September, 2027 in terms of the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has received consent, declaration of non-disqualification in terms of Section 164 of the Companies Act, 2013, and a declaration from him stating that he meets the criteria of Independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As per the provisions of section 149 of the Act, an Independent Director shall hold office for a term upto five consecutive years on Board of a Company and is not liable to retire by rotation.

In the opinion of the Board, Mr. Suryanarayana Raju Nandyala fulfills the conditions specified under Section 149 (6) of the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for his appointment as an Independent Non-Executive Director of the Company and is independent of the management. The Board opined that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Suryanarayana Raju Nandyala as an Independent Director.

Accordingly, the Board recommends passing of the Special Resolution in relation to appointment of Mr. Suryanarayana Raju Nandyala as an Independent Director for a term of five consecutive years with effect from 23<sup>rd</sup> September, 2022 to 22<sup>nd</sup> September, 2027 for the approval by the members of the Company.

Copy of the draft letter for appointment of Mr. Suryanarayana Raju Nandyala as an Independent Director (Non-Executive) setting out terms and conditions would be available for inspection by members in terms of Note No. 5 of the Notes in the accompanying Notice.

Except Mr Suryanarayana Raju Nandyala, No other Director(s) or Key Managerial Personnel(s) or their relatives is concerned or interested in the Resolution.

**Item No. 6 – Increase in overall managerial remuneration limits.**

As per Section 197 of the Companies Act, 2013 read with schedule V to the companies act 2013 along with the Ministry of Corporate Affairs (MCA) through its notification dated 12 September 2018 notified provisions of the Companies

(Amendment) Act, 2017 (Amendment Act, 2017) and amended schedule V of Companies Act, 2013 , provides for payment of managerial remuneration by Companies, requires members approval for payment of managerial remuneration to the managerial person if remuneration exceeds beyond the specified limit as specified under the relevant provisions of Section 196, 197 and Schedule V to the Companies Act, 2013 pursuant to notification issued by Ministry of Corporate Affairs (MCA) dated 12 September 2018.

Pursuant to the recommendations of Nomination & Remuneration Committee and the Board of Directors of the Company at their Meetings held on 08th August, 2022 approval of the members by way of Special Resolution is sought to increase the overall limit of managerial remuneration payable by the Company in respect of any financial year wherein the Company has no profits or profits are inadequate shall not exceed Rs. 2,00,00,000 (Rupees Two Crores Only).

Hence the Board recommends the resolution for member approval by way of Special Resolution set out at item no.6 for approval of the members.

None of the Directors or Key Managerial Personnel or their relatives is concerned or interested in the Resolution.

**Item No. 7 – Increase in managerial remuneration payable to Mr. Sunil Kumar Kalidindi, Executive Director & CEO of the Company.**

As per Section 197 and other applicable provisions of the act, the remuneration payable to any one managing director or whole-time director or manager shall not exceed 5% of the net profits of the Company and if there are more than one such director, the remuneration payable to all such directors and manager taken together shall not exceed 10% of the net profits calculated as per Section 198 of the Companies Act, 2013.

Mr. Sunil Kumar Kalidindi was regularized as an Executive Director (Professional, Executive) & Chief Executive Officer of the Company for a term up to (3) three consecutive years effective from 10th December, 2021 till 9th December, 2024, in accordance with the provisions of 152, 196 and 203 read with Schedule-V thereto and other applicable provisions of the Companies Act, 2013 and the Rules framed there under through Postal Ballot results dated 04th June, 2022. The remuneration of Mr. Sunil Kumar Kalidindi shall be revised based on the recommendation of Nomination & Remuneration committee and Board of directors at their meetings held on 08th August, 2022. The remuneration shall be revised from Rs. 30 lakhs per annum to Rs. 75 lakhs per annum. Following is the break-up of minimum remuneration proposed to be paid to Mr. Sunil Kumar Kalidindi, Executive Director & CEO of the Company despite inadequacy or absence of profits is as under in any financial year:

- (i) Salary: Rs. 3,50,000/- per month
- (ii) Perquisites
  - a) House Rent Allowance upto 50% Salary
  - b) Reimbursement of medical expenses as per the rules of the Company
  - c) Leave travel concession/ allowance as per the rules of the Company
  - d) Group Mediciam Insurance Coverage as per the rules of the Company
  - e) Group personal Accident Insurance Coverage as per the rules of the Company
  - f) other allowances as per the rules of the Company
- (iii) Other benefits:
  - a) leave with Salary as per the rules of the Company
  - b) Provident fund as per the rules thereof
  - c) Gratuity as per the rules of the Company
  - d) Encashment of Leave as per the rules of the Company

Mr. Sunil Kumar Kalidindi is not-disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as a Director.

Mr Sunil Kumar Kalidindi has done Bachelor of Engineering from PSG College of Engineering, Coimbatore and obtained a master's degree in management from University of Leicester (UK) and a Master's degree in Finance from London Business school.

He has worked with M/s Fitchner India Limited, Chennai before joining the KVK group. As a CEO, he contributed to the group companies in developing, managing and operating power plants. He has lead the Group in corporate finance and fund raising. He has specialized in the areas of Commercial, business development and day to day operations of the Companies.

He has also pioneered a software venture for smart metering with government Utilities. He has built an e-commerce platform for coal trading which has some large corporates as its clients. He has lead an acquisition of a web based power trading platform recently which acts like a power exchange for generators and consumers.

Except Mr. Sunil Kumar Kalidindi, none of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution as set out in the Notice.

The Board of Directors based on the recommendation of the Nomination and Remuneration Committee considers the increase in remuneration of Mr. Sunil Kumar Kalidindi as a Executive Director & CEO in the interest of the Company and recommends the Special resolution as set out in the Notice for approval of Members.

By order of the Board of Directors  
For **Megasoft Limited**

.....  
**Sunil Kumar Kalidindi**  
(DIN: 02344343)  
Executive Director & CEO

Place: Hyderabad

Date: 08th August, 2022