



MEGASOFT LIMITED

CIN L72200TN1999PLC042730

No.85, Kutchery Road, Mylapore, Chennai 600004, Tamilnadu, India

www.megasoft.com

Notice of the Annual General Meeting

Notice is hereby given that the **15th Annual General Meeting** of the Members of **MEGASOFT LIMITED** will be held at 10.00 AM (IST) on Wednesday, the 23rd day of September 2015 at Sri Thyaga Brahma Gana Sabha (Vani Mahal), No.103, G N Chetty Road, T Nagar, Chennai 600017, to transact the following business:

Ordinary business

(1) Adoption of financial statements

To receive, consider and adopt:

- (i) the audited financial statements of the Company for the 15 months period ended 31st March, 2015 and the reports of the Board of Directors and Auditors thereon.
- (ii) the audited Consolidated Financial statements of the Company for the 15 months period ended 31st March, 2015.

(2) Re-appointment of director

To appoint a Director in place of Mr D Sudhakar Reddy (DIN-00047707), who retires by rotation and, being eligible offers himself for re-appointment.

(3) Re-appointment of director

To appoint a Director in place of Mr GV Kumar (DIN-00059107), who retires by rotation and, being eligible offers himself for re-appointment.

(4) Appointment of statutory auditors

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

RESOLVED that pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable rules, if any, M/s Srikanth & Shanthi Associates, Chartered Accountants [ICAI Firm Registration No.004006S], Chennai, and M/s TN Rajendran & Co., Chartered Accountants [ICAI Firm Registration No.005080S], Chennai, be and are hereby appointed as the joint Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting (AGM) until the conclusion of the Seventeenth (17th) AGM of the Company to be held in the year 2017 (subject to ratification of their appointment by the Members at every AGM held after this AGM) at 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

(5) 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 authorised 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 the meaning of section 143(8) of the Companies Act, 2013 and to fix their remuneration.

(6) Appointment of Ms Leona Ambuja as a Director of the Company

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

RESOLVED that pursuant to provisions of Section 149 and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, and clause 49 of the Listing Agreement, Ms Leona Ambuja (DIN-07138817) who was appointed as an Additional Director by the Board of Directors effective 31 March 2015 pursuant to the provisions of Section 161 of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this AGM and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing her candidature for the office of a Director, be and is hereby appointed as an Independent Woman Director of the Company not liable to retire by rotation.

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

Place: Hyderabad
Date : 26 May 2015

GV Kumar
Managing Director

NOTES

- (1) The statement pursuant to Section 102 (1) of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed.
- (2) A member entitled to attend and vote at the Annual General Meeting is entitled to appoint another person as a proxy to attend and vote on his/her behalf in the meeting and such person can act as a proxy on behalf of members of the company not exceeding 50 (Fifty) and holding in aggregate not more than 10% (Ten percent) of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- (3) The instrument appointing the Proxy, duly completed must be deposited at the Company's registered office not less than 48 hours before the commencement of the meeting. A proxy form for the ANNUAL GENERAL MEETING is enclosed.
- (4) During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the company, provided that not less than three days of notice in writing is given to the Company.
- (5) Members/proxies should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.
- (6) Proxies submitted on behalf of Limited Companies, Societies, and Partnerships firms, etc. must be supported by appropriate resolution / authority as applicable issued by the member organisation.
- (7) Corporate members intending to send their authorised representatives to attend the meeting are requested to send to the Company, a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Annual General Meeting.
- (8) The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.
- (9) The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.
- (10) Members are requested to bring their copy of the Annual Report with them to the meeting.
- (11) Members desiring any information with regard to Accounts/ Reports are requested to write to the Company Secretary at least ten days before the meeting so as to enable the management to keep the information ready.
- (12) The certificate from the Auditors of the Company certifying that the Company's Stock Option Plan(s) are being implemented in accordance with the SEBI (Employee Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999 and SEBI (Employee Share Benefits) Rules, 2014 as applicable and in accordance with the resolution of the Members in the General Meeting is available for inspection by the Members at the Annual General Meeting.
- (13) The Register of Members and Share Transfer Books of the Company will remain closed from 17th September 2015 to 23rd September 2015 (both days inclusive) in terms of the provisions of Section 91 of the Companies Act, 2013 and the applicable clauses of the Listing Agreement entered into with the Stock Exchanges.
- (14) Members who are holding physical shares more than one folio are requested to intimate to the company / Registrar & Share Transfer Agents the details of all their Folio Numbers for consolidation into a single Folio.
- (15) Members whose shareholding is in the electronic mode are requested to direct change of address notifications and updates bank account details to their respective Depository Participant(s). Members are encouraged to utilise the Electronic Clearing System (ECS) for receiving dividends.
- (16) Members are requested to quote their Registered Folio Number or Demat Account Number & Depository Participant (DP) ID number on all correspondences with the Company. The transfer deeds, communication for change of address, bank details, ECS details, mandates (if any), should be lodged with the Registrar & Share Transfer Agents ('RTA') of the Company, Cameo Corporate Services Limited, Chennai. Members whose shares are held in the electronic mode are requested to intimate the same to their respective Depository Participants.
- (17) The Company is concerned about the environment and utilises natural resources in a sustainable way. The Ministry of Corporate Affairs (MCA), Government of India, has by its Circular Nos. 17/2011 and 18/2011, dated April 21, 2011 and April 29, 2011 respectively; permitted companies to send official documents to their shareholders electronically as part of its Green Initiative in Corporate Governance. Recognising the spirit of the Circular issued by the MCA, we are sending documents like Notice convening the general Meetings, Financial Statements, Directors' Report, Auditors' Report, etc., to the email address provided by you with your depositories.
- (18) Annual Report 2015 with Attendance Slip and Proxy forms are being sent by electronic mode only to all the members whose email addresses are registered with the Company/Depository Participant (s) for communication purpose unless a member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report are being sent by the permitted mode.
- (19) Pursuant to the provisions of Section 123 of the Companies Act, 2013 dividends which remained unclaimed after the prescribed period of 7 years shall be transferred to the Investor Education Protection Fund ('IEPF') of the Central Government. Members who have not encashed their dividend warrants are requested to correspond with RTA. It is requested to note that once unclaimed dividend is transferred to IEPF pursuant to Section 205C of the Companies Act, 1956, no further claim shall be entertained. Information in respect of such unclaimed dividend when due for transfer to IEPF of Government of India including the unclaimed amount since 2007, are given in the Corporate Governance Report.
- (20) Members may note that the Notice of the 15th Annual General Meeting and the Annual Report 2015 will also be available on the Company's website www.megasoft.com. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Chennai for inspection during normal business hours on working days. Members who require communication in physical form in addition to e- communication, or have any other queries, may write to us at investors@megasoft.com
- (21) Additional information pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges in respect of the Directors seeking appointment at the Annual General Meeting is furnished and forms part of the Notice. The directors have furnished the requisite consents / declarations for their appointment / re-appointment.
- (22) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
- (23) Voting through electronic means - Pursuant to Section 110 of the Companies Act, 2013 and the Rules framed thereunder and Clause 35B of the Listing Agreement, the Company is pleased to provide a facility to the members to exercise their right to vote at the 15th Annual General Meeting by electronic means and all the business shall be transacted through e-voting services provided by CDSL. Instructions for e-voting sent separately along with this notice.
- (24) The Company has appointed Mr M Damodaran, Sole proprietor of M/s Damodaran & Associates, Practicing Company Secretaries, Chennai as Scrutinizer for conducting the e-voting process in fair and transparent manner.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 20th September 2015 at 9.00 AM and ends on 22nd September 2015 at 5.00 PM During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 16th September 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) 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.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any other company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company / Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. (For sequence number refer serial no. printed on the name and address sticker) • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	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. <ul style="list-style-type: none"> • 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).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) 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 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the relevant EVSN on which you choose to vote.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the password then Enter the User ID and the image verification code and click on Forgot Password and enter the details as prompted by the system.
- (xviii) Note for Non - Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - 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.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - 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.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions 'FAQs' and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

Explanatory Statement

(Pursuant to Section 102(1) of the Companies Act, 2013)

Item No.5

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 authorise 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.

The Board recommends the resolution set forth in Item No.5 for the approval of the shareholders.

Item No.6

The Board of Directors with due recommendation of the Nomination and Remuneration Committee of the Company had appointed Ms Leona Ambuja as an Additional Director with effect from 31st March 2015 by passing Circular Resolution and designated her as an Independent Non-Executive Woman Director on the Board of the Company.

In terms of Section 161 and other applicable provisions (including any modification or re-enactment thereof), if any, of the Companies Act, 2013, Ms Leona Ambuja

holds office only up to the date of this Annual General Meeting of the Company and is eligible for appointment. A notice in writing has been received from a Member of the Company along with the requisite deposit under Section 160 of the Companies Act, 2013 signifying intention to propose Ms Leona Ambuja as a candidate for the office of a Director.

Ms Leona Ambuja, holds a graduate degree in Commerce from the Osmania University. Ms Leona Ambuja has an experience of over seven years in the areas of accounting, taxation and compliance matters.

Ms Leona Ambuja does not hold any shares in the Company.

Ms Leona Ambuja does not hold any Directorship / Committee Membership in other companies.

Ms Leona Ambuja will be deemed to be concerned or interested in the proposed resolution to the extent of the remuneration that the office of an independent director may carry. None of the other directors or key managerial personal or their relatives is concerned or interested in the Resolution.

The Board recommends the resolution set forth in Item No.6 for the approval of the shareholders.

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

Place: Hyderabad
Date : 26 May 2015

GV Kumar
Managing Director

ADDITIONAL INFORMATION ON DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AT THE 15TH ANNUAL GENERAL MEETING PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT

The brief resume, experience and functional expertise and the membership on the various Boards and Committees, of Directors proposed to be re-appointed / appointed at Sl. Nos. 2, 3 and 6 of the Notice of the Annual General Meeting as required under Clause 49 of the Listing Agreement are given below:

Name of the Director	D Sudhakar Reddy	G V Kumar	Ms Leona Ambuja
Date of Birth	15 June 1958	31 July 1966	31 December 1986
Date of Appointment	6 March 2000	1 September 2004	31 March 2015
Qualification	Fellow Member of The Institute of Chartered Accountants of India	Electrical Engineer with Post Graduate degree in Management	Commerce Graduate
Experience in Specific-functional area	He was in practice for over fifteen years and is an expert in Finance, Tax and Corporate Laws	Founder & CEO of XIUS India Limited (which was merged with the company in 2004) and has over 25 years of experience in IT & Telecom Industries	Professional accountant having experience in the areas of Accounting, Taxation and Compliance.
List of companies in which directorship held in other companies	8	NIL	NIL
Chairman / Members of the Committee of the Board of companies in which he is Director	Member of Audit / Risk & Compliance Committee of the company Member of Stakeholder Relationship Committee of the company	Member of Stakeholders Relationship Committee of the company	NIL
Shareholding in the company (equity shares of ₹ 10 each)	NIL	22,26,911	NIL

Directorship in foreign companies, membership in governing councils, chambers and other bodies, Partnership firms, etc., are not included. Membership in non-mandatory Committees is also not included.

None of the aforesaid Director is related to each other or to any other Director on the Board of the Company.



MEGASOFT LIMITED

CIN L72200TN1999PLC042730

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PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s) :

Registered Address :

E-mail id :

Folio No. / Client id & DP id :

I/We, being the member(s) of _____ shares of Megasoft Limited, hereby appoint:

_____ of _____ having e-mail id _____ or failing him

_____ of _____ having e-mail id _____ or failing him

_____ of _____ having e-mail id _____ or failing him

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 15th Annual General Meeting of the Company, to be held on Wednesday, September 23, 2015 at 10:00 am, Sri Thyaga Brahma Gana Sabha (Vani Mahal), No.103, G N Chetty Road, T Nagar, Chennai 600017 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution Nos.

1. To consider and adopt:
 - (a) Audited Financial Statements and Reports of the Board of Directors and Auditors thereon
 - (b) Audited Consolidated Financial Statements and Reports of the Auditors thereon
2. Re-appointment of Mr D Sudhakar Reddy (DIN-00047707) who retires by rotation
3. Re-appointment of Mr GV Kumar (DIN-00059107) who retires by rotation
4. Appointment of Auditors
5. Appointment of Branch Auditors
6. Appointment of Ms Leona Ambuja as an Independent Director

Affix
1/-
Revenue
Stamp

Signed this _____ day of _____ 2015

Signature of shareholder

Signature of first proxy holder

Signature of second proxy holder

Signature of third proxy holder

Note : This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.



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ATTENDANCE SLIP

Regd. Folio No. _____

DP / Client ID* _____

No. of shares held _____

I certify that I am a Member/Proxy for the Member of the Company.

I hereby record my presence at the 15th ANNUAL GENERAL MEETING of the Company at Sri Thyaga Brahma Gana Sabha (Vani Mahal), No.103, G N Chetty Road, T Nagar, Chennai 600017 at 10.00 am on Wednesday, the 23rd day of September 2015.

Signature of Member/Proxy

Member's/Proxy's name in BLOCK Letters

Note : Please fill up this attendance slip and hand it over at the entrance of the meeting hall.

Members are requested to bring their copies of the Annual Report to the meeting.

* For share(s) held in electronic form.