

Date: 30/08/2019

To

BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai-400 001 Email Id: <a href="mailto:corp.compliance@bseindia.com">corp.compliance@bseindia.com</a> Scrip Code: 539012	Head- Listing & Compliance Metropolitan Stock Exchange of India Ltd 4th floor, Vibgyor Towers, Plot No C 62, G - Block, Opp. Trident Hotel, Bandra Kurla Complex, Bandra (E), Mumbai - 400 098, Email Id: <a href="mailto:listingcompliance@msei.in">listingcompliance@msei.in</a> Symbol: <b>MEGRISOFT</b>
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**Subject: Notice of the 28th Annual General Meeting(' AGM') and Book Closure**

Dear Sir,

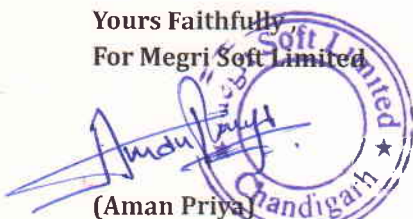
Pursuant to Regulation 30 read with Part A of Schedule III and Regulation 34(1) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, please find enclosed Annual Report of the Megri Soft Limited (the 'Company') for the financial year 2018-19 along with the Notice of the 28th Annual General Meeting scheduled to be held on Monday, September 30, 2019 at 09.00 A.M. at the registered office of the Company at SCO 80, Sector 47D, Chandigarh -160047;

In this regard, the Company has provided facility to exercise voting rights on all business proposed at the AGM by electronic means by using remote e-voting facility provided by Central Depository Services Limited (CDSL). The remote e-voting period shall commence from Friday, September 27, 2019 at 9.00 a.m. and will end on Sunday, September 29, 2019 at 5.00 p.m., and the shareholders of the Company as at the cut-off date i.e., Monday, September 23, 2019 shall be eligible to vote using the remote e-voting facility. Further, pursuant to the provisions of Section 91 of the Companies Act, 2013 read with Rule 10 of the Companies (Management and Administration) Rules, 2014 and Regulation 42 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Register of members & Share Transfer books will remain closed from Tuesday, September 24, 2019 to Monday, September 30, 2019 (both days inclusive) for the purpose of AGM.

Kindly note and display the same on your notice Board for the information of the members of your exchange and general public.

Thanking You,

Yours Faithfully  
For Megri Soft Limited



(Aman Priya)  
Company Secretary & Compliance Officer  
M.No: 34077

# ***28th Annual Report 2018-19***

**Megrisoft**

**Megri Soft Limited**

## COMPANY INFORMATION:

### BOARD OF DIRECTORS

Mr. Mohnesh Kohli	Non-Executive Director
Mr. Rajnesh Sharma	Wholetime Director
Ms. Aprajita Kohli	Non-Executive & Women Director
Mr. Mahesh Kumar	Independent Director
Ms. Diksha	Independent Director

### STATUTORY AUDITOR

M/s Kapil Sandeep & Associates  
Chartered Accountants  
Chandigarh

### COMPANY SECRETARY & COMPLIANCE OFFICER

CS Aman Priya

### CHIEF FINANCIAL OFFICER (CFO)

Mr. Rajesh Sharma

### CONSULTING COMPANY SECRETARY & SECRETARIAL AUDITOR

Mr. Ankur Mahindru  
M/S A.M. & Associates  
#37, M.S. Enclave, Entry Dee Ess Estate Gate, Dhakoli, Teh.-  
Zirakpur  
Distt.-Mohali, Punjab-160104

### BANKERS

Karnataka Bank Limited

### REGISTERED OFFICE OF COMPANY, CIN, EMAIL ID & WEBSITE

Megri Soft Limited  
S.C.O. 80, Sector 47-D,  
Chandigarh-160047  
Ph. No.: +91-172-2631561  
E-mail: [legal@megrisoft.com](mailto:legal@megrisoft.com)  
Web Site: [www.megrisoft.com](http://www.megrisoft.com)  
CIN: L72200CH1992PLC011996  
PAN: AABCC2466Q

### REGISTRAR & SHARE TRANSFER AGENT

Beetal Financial & Computer Services Pvt. Ltd.  
Beetal House, 3rd Floor, 99 Madangir, Behind Local Shopping  
Centre, New Delhi.

### LISTING

1. BSE LIMITED  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort, Mumbai-400 001
2. Metropolitan Stock Exchange of India Ltd (MSEI)  
4th floor, Vibgyor Towers, Plot No C 62,  
G - Block, Opp. Trident Hotel, Bandra Kurla Complex,  
Bandra (E), Mumbai - 400 098

## **Board's Report**

Dear Members,

The Board of Directors hereby submits the report of the business and operations of your Company ('the Company' or 'Megrisoft') along with the Audited Financial Statements for the financial year ended March 31, 2019.

### ➤ **Results of operations**

Particulars	Year Ended 31.03.2019 (Rs. In Lakhs)	Year Ended 31.03.2018 (Rs. In Lakhs)
Total Income	222.61	190.32
Depreciation	11.94	22.44
Profit/(Loss) Before Taxes	50.10	40.25
Provision for Taxation	12.13	9.65
Net Profit/(Loss) After Tax	37.97	30.60
Net Profit/(Loss) Carried To Balance Sheet	37.97	30.60
Paid Up Share Capital (Face Value Rs. 10/- each fully paid up)	314.07	314.07

### ➤ **Financial Review**

During the Year under review, Your Company has recorded Income from Operation of Rs 222.61 Lakhs and Net Profit after Tax of Rs 37.97 Lakhs respectively. The financial result as reflected in standalone Statement of Profit & Loss of the Company is self-explanatory. Your directors are of the view that the company has signaled good progress and will continue to access the path of success in succeeding financial years and are hopeful for a bright future prospects. Moreover, it is also assured that the Management will leave no efforts untouched to increase the profitability in the forthcoming years also.

### ➤ **Consolidated Financial Statement:**

In accordance with the Companies Act, 2013 & Indian Accounting Standards (Ind AS) 110 on 'Consolidated Financial Statements', the Audited Consolidated Financial Statements is provided in the Annual Report.

### ➤ **Dividend & Reserves**

In order to strengthen the financial position of the Company, your directors proposed to retain the profits for future growth & expansions therefore do not recommend any dividend for the year. The balance in Other Equity stands at 1603.22 Lakhs. The Board of Directors of your company, has decided not to transfer any amount to the Reserves for the year under review

### ➤ **Share Capital**

There have been no changes in the Authorized Share Capital, issued subscribed and paid-up share capital during the year under review. The authorized share capital was Rs. 3,30,00,000/- divided into 33,00,000 equity shares of Rs. 10/- each and the issued, subscribed and paid up share capital remained Rs. 3,14,07,000/- divided into 31,40,700 equity shares of Rs. 10/- each fully paid.

### ➤ **Listing of Shares**

The Company's shares are listed on BSE Ltd. (BSE) & Metropolitan Stock Exchange of India Limited (MSEI). The annual listing fees for the financial year 2019-20 to BSE and MSEI has been paid. The Securities and Exchange Board of India (SEBI), on September 2, 2015, issued SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) with the aim to consolidate and streamline the provisions of the Listing Agreement for different segments of capital markets to ensure better enforceability. The said regulations were applicable w.e.f. December 1, 2015. Accordingly, all listed entities were required to enter into a Uniform Listing Agreement within six months from the effective date. The Company has entered into the requisite Listing Agreement with both the above Stock Exchanges.

### ➤ **Subsidiaries**

The Company has incorporated a wholly owned subsidiary "Megrisoft Limited" in London, United Kingdom under the Registrar of Companies for England and Wales on October 18, 2016. The Company has earned revenue from its operations of **Rs 65.72 Lakhs** during year under review. The Net Profit of the Company is Rs.4.54 Lakhs. Detail about the aforesaid wholly owned subsidiary is annexed as **Annexure I** in Form AOC 1 to Board's report.

### ➤ **Details of significant and material orders of regulators/courts/ tribunals**

1. The Company has filed an appeal with CIT (Appeals), Chandigarh for a demand of amount to Rs. 73,47,744/- raised by disallowing deduction u/s 80IC of Income Tax Act, 1961 for the Assessment Year 2013-14.
2. The Company has filed an appeal with CIT (Appeals), Chandigarh for a demand of amount to Rs. 65,15,710/- raised by disallowing deduction u/s 80IC of Income Tax Act, 1961 for the Assessment Year 2014-15..

3. During the F.Y 2018-19, MS Shoes East Limited (now known as Tomorrowland Technologies Exports Limited) had instituted a suit against the company for execution of ex-parte decree for an amount of Rs 85,16,928/- along with interest @18 % p a till date. The Company has taken suitable legal action in this regard.
4. The Company has filed an appeal with CIT (Appeals), Chandigarh for a demand of amount to Rs. 18,67,998/- raised by disallowing deduction u/s 80IC of Income Tax Act, 1961 for the Assessment Year 2016-17..

## ➤ Board of Directors & Key Managerial Personnel (KMP's)

### ❑ Appointment

During the year under review, Ms. Diksha have been appointed on the Board of the Company as an additional director (independent) w.e.f. 16th July, 2018 in the place of Mr. Raman Seth, Independent Director who has resigned from the said designation w.e.f. 17th April,2018.

However, consent of shareholders was received for appointment of Ms..Diksha as Independent Director in the Annual General Meeting held on 29th September,2018.

### ❑ Change in Designation

During the year under review, there is no change in designation of any director of the Company

### ❑ Cessation

During the year under review, one director Mr. Raman Seth has resigned from the designation of independent Director of the Board w.e.f. 17th April,2018.

### ❑ Retirement by Rotation (Mr. Mohnesh Kohli)

In terms of Section 152 of the Companies Act, 2013, Mr. Mohnesh Kohli, being director liable to retire by rotation, shall retire at the ensuing AGM and being eligible for reappointment, offers himself for re-appointment. The Board of Directors recommended his appointment for consideration of the members at the forthcoming Annual General Meeting

### ❑ Key Managerial Personnel

In compliance with the provisions of Section 203 of the Companies Act, 2013, following are the KMPs of the Company as on 31st March, 2019:

S.No.	Name	Designation
1.	Mr. Rajnesh Sharma	Whole Time Director & Chief Financial Officer,
2.	Ms. Pratima Yadav*	Company Secretary

\* Ms. Pratima Yadav, Company Secretary resigned from the Company w.e.f. 29th March,2019 and Ms. Aman Priya has been appointed as Company Secretary in her place w.e.f. 22nd May,2019.

### ❑ Declaration by Independent Directors

The Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules thereof.

### ❑ Performance Evaluation of the Board

Listing Regulations laying down the key functions of the Board mandates that the Board shall monitor and review the Board Evaluation Process and also stipulates that the Nomination and Remuneration Committee of the Company shall lay down the evaluation criteria for performance evaluation of Independent Directors. Section 134 of the Companies Act, 2013 states that a formal evaluation needs to be made by the Board of its own performance and that of its committees and individual directors. Further, schedule IV to the Companies Act, 2013 states that performance evaluation of Independent Directors shall be done by the entire Board of Directors, excluding the director being evaluated.

In accordance with the aforesaid provisions, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Committees.

### ❑ Annual Evaluation of the Board Performance:

Pursuant to Schedule IV to the Companies Act, 2013 and Listing Regulations, one meeting of Independent Directors was held during the year i.e. on January 15, 2019, without the attendance of Executive directors and members of Management to evaluate the performance of Non-Independent Directors, Chairperson of the Company and the Board as a whole.. In addition, the Company encourages regular separate meetings of its independent directors to update them on all business-related issues and new initiatives.

## ❑ Familiarization Program for Independent Directors

Pursuant to provisions of Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and Schedule IV of the Companies Act, 2013 the company has formulated 'Familiarisation Programmes' for the Independent Directors and it may be accessed on the Company's website at <http://www.megrisoft.com/pdfs/fp-id.pdf>. Further, at the time of the appointment of an Independent Director, the company issued a formal letter of appointment outlining his/her role, function, duties & responsibilities.

## ❑ Company's Policy relating to Directors appointment, payment of remuneration and discharge of their duties:

Pursuant to the provisions of Section 178 (1) of the Companies Act, 2013, the Board has, on their recommendation of the Nomination & Remuneration Committee framed a policy for selection, nomination, appointment and remuneration of Directors suitably containing the criteria determining qualifications, positive attributes and independence of a Director.. The Nomination & Remuneration Policy is annexed hereto and forms part of this report as **Annexure II** and it may also be accessed on the Company's website at <https://www.megrisoft.com/pdfs/NMR-Policy.pdf>

## ➤ Meetings of the Board

### ❑ Scheduling and selection of agenda items for Board meetings

- The meetings of the Board are convened by giving appropriate advance notice to the members of the Board. The Company Secretary circulates internal notice to all the Board members asking for the suggestions/details of any matter which requires discussion or approval of the Board so that the same could be incorporated in the agenda of the Board meeting. The date of the Board meeting is fixed taking into account the convenience and availability of the Board members.
- The agenda papers are circulated to the Directors in advance along with suitable explanatory notes. At each meeting detailed presentation and important documents are placed at the table of the meeting for discussion of individual agenda items. The minutes of the Committees of the Board are taken as read at the meeting of the Board for information of the members. The follow up actions of important agenda items of previous Board meetings are placed at the Board meeting for review of the Board.
- The Company Secretary conducts the Board meetings and prepares all documents including minutes of the meeting in compliance with the provisions of the Companies Act and other statutory enactments. The Company Secretary records minutes of proceedings of each Board and Committee meeting. Draft minutes are circulated to Board/Board Committee members for their comments. The minutes are entered in the Minutes Book within 30 days from the conclusion of the meeting.
- Pursuant to Schedule IV to the Companies Act, 2013 and Listing Regulations, one meeting of Independent Directors were held during the year i.e. on January 15, 2019, without the attendance of Executive directors and members of Management. In addition, the Company encourages regular separate meetings of its independent directors to update them on all business-related issues and new initiatives.
- During the Financial Year 2018-19, the Board met Eight (08) times i.e. on 05.05.2018, 29.05.2018, 16.07.2018, 13.08.2018, 28.08.2018, 10.11.2018, 02.02.2019 and 29.03.2019. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013.

Quarter – I [April'18-June'18]	Quarter – II [July'18-Sept'18]	Quarter – III [Oct'18-Dec18]	Quarter – IV [Jan'19-Mar'19]
1. 05.05.2018	1. 16.07.2018	1. 10.11.2018	1. 02.02.2019
2. 29.05.2018	2. 13.08.2018		2. 29.03.2019
	3. 28.08.2018		

## ➤ Committees of the Board

During the year, the Board had the following Committees –

1. Audit Committee
2. Nomination & Remuneration Committee
3. Stakeholders' Relationship Committee
4. Committee of Independent Directors

Each Committee has its own Charter and have been assigned with scope of responsibilities, duties, and authorities, which is reviewed by the Board from time to time in order to determine the appropriateness of the purpose for which the Committee was formed. Committee composition confirms to applicable laws and regulations. Minutes of all the Committee meetings are placed for information/noting in the subsequent Board meeting.

All decisions pertaining to the constitution of committees and its Charter including fixing of terms of service for committee members is taken by the Board of Directors. Details on the role and composition of these committees, including the number of meetings held during the financial year and the related attendance, are provided below:

### ❑ Audit Committee

Our Audit Committee comprised three directors as on March 31, 2019 out of which two are independent directors and one is non-executive director. During the year, Mr. Raman Seth, member of the said committee have been replaced by Ms. Diksha as Mr. Raman Seth has resigned from the Board. The Company Secretary acts as the secretary to the audit committee.

<input type="checkbox"/>	Mr. Mahesh Kumar	-	Chairman
<input type="checkbox"/>	Ms. Diksha	-	Member
<input type="checkbox"/>	Mr. Mohnesh Kohli	-	Member

#### **Audit Committee attendance:**

During the Financial Year 2018-19, 4 (four) meetings of the committee were held on 29.05.2018, 13.08.2018, 10.11.2018 and 02.02.2019. For review of the annual financial results for the year ended March 31, 2019, the meeting of the Audit Committee was held on 22.05.2019.

#### **☐ Nomination & Remuneration Committee**

Our nomination and remuneration committee comprised the following directors as on March 31, 2019 :

<input type="checkbox"/>	Ms. Diksha	-	Chairman (Non- Executive & Independent Director)
<input type="checkbox"/>	Mr. Mohnesh Kohli	-	Member (Non- Executive Director)
<input type="checkbox"/>	Mr. Mahesh Kumar	-	Member (Non- Executive & Independent Director)

The Company Secretary acts as the secretary to the nomination and remuneration committee.

During the Financial Year 2018-19, 2(two) meetings of the Committee were held on 29.05.2019 and 02.02.2019 and requisite quorum attended the said meeting.

#### **☐ Shareholders'/Investors' Grievance Committee (Stakeholders Relationship)**

The stakeholders relationship committee has the mandate to review and redress stakeholder grievances.

Our Stakeholders Relationship committee comprised the following directors as on March 31, 2019 :

<input type="checkbox"/>	Mr. Mohnesh Kohli	-	Chairman (Non- Executive Director)
<input type="checkbox"/>	Ms. Diksha	-	Member (Non- Executive & Independent Director)
<input type="checkbox"/>	Mr. Mahesh Kumar	-	Member (Non- Executive & Independent Director)

During the Financial Year 2018-19, 22(Twenty Two) meetings of the committee were held on 17.05.2018, 22.05.2018, 25.05.2018, 30.05.2018, 06.06.2018, 11.06.2018, 18.06.2018, 20.06.2018, 25.06.2018, 02.07.2018, 05.07.2018, 06.07.2018, 13.07.2018, 18.07.2018, 05.09.2018, 12.09.2018, 04.10.2018, 13.10.2018, 14.11.2018, 30.11.2018, 08.02.2019 and 18.02.2019 and requisite quorum attended the said meeting.

During the Financial Year 2018-19, the Company has not received any complaints from any shareholder.

#### **☐ Committee of Independent Directors**

The meeting of Independent Directors of the Company for the Financial Year 2018-19 was held on January 15, 2019 to discuss:

- Review & Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole.
- Review of the performance of the Executive and Non-Executive Directors.
- Assessment of the quality, quantity and timeliness of flow of information between the Management and the Board.

#### **➤ Conservation of Energy, Research and Development, Technology Absorption, Foreign Exchange Earnings & Outgo**

Since the Company (Megri Soft Limited) is a Service Sector Company and does not own any manufacturing facility, the other particulars in the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1998 are not applicable.

The particulars regarding foreign exchange earnings during the year of Rs. 180.32 Lakhs only (Previous Year Rs. 160.42 Lakhs) and expenditure in foreign currency is Rs. 7.33 Lakhs only (Previous year Rs. 10.09 Lakhs).

We operate in the internet/ information technology industry where new developments happen on a continuous basis. We regularly evaluate these developments & factor their suitability to us. Accordingly, research and development of new services, designs, frameworks, processes and methodologies continue to be of importance to us. This allows us to enhance quality, productivity and customer satisfaction through continuous improvements/innovation.

Your Company continues to use state-of-the-art technology for improving the productivity and quality of its products and services. To create adequate infrastructure, your Company continues to invest in the latest hardware and software.

#### **➤ Audit Reports & Auditors**

##### **☐ Audit Reports**

- The Auditors' Report for the financial year ended March 31, 2019 does not contain any qualification, reservation or adverse remark. The Auditor's Report is enclosed with the financial statements in this Annual Report.
- The Secretarial Auditor's Report for the financial year ended March 31, 2019 does not contain any qualification, reservation or adverse remark. The Secretarial Auditor's Report is enclosed as **Annexure III** to the Board's report in this Annual report.



## ❑ Statutory Auditor

M/s Kapil Sandeep & Associates, Chartered Accountants (Firm Registration No. 0016244N) were appointed as the statutory auditors of the Company by the Members at their 26th Annual General Meeting held on 30th September, 2017 to hold office for a period of five consecutive years from the conclusion of the 26th Annual General Meeting of the Company till the conclusion of the 31st Annual General Meeting to be held in the year 2022, subject to the annual ratification by members at every Annual General Meeting,

However, the Ministry of Corporate Affairs has vide notification dated May 7, 2018 omitted the requirement of annual ratification of the appointment of statutory auditors by the members of the company at every Annual General Meeting, Hence annual ratification shall not be required with effect from this Annual General Meeting to be held in the year 2019

## ❑ Secretarial Auditor

As required under Section 204 of the Companies Act, 2013 and rules thereunder, the Board has appointed Ankur Mahindru, proprietor of M/s A.M. & Associates, Practicing Company Secretaries as its Secretarial Auditors of the Company for Financial year 2019-20.

## ➤ Management Discussion And Analysis

The Management Discussion and Analysis Report for the year under review as stipulated SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is presented in a separate section forming part of this Annual Report.

## ➤ Risk Management Policy

The Company has an effective risk management procedure, which is governed at the highest level by the Board of Directors, covering the process of identifying, assessing, mitigating, reporting and review of critical risks impacting the achievement of Company's objectives or threaten its existence. To further strengthen & streamline the procedures about risk assessment and minimization procedures, the Board of Directors has formulated a Risk Management Policy which is available for view on the Company's website at the following link: <http://www.megrisoft.com/pdfs/rmp.pdf>

## ➤ Corporate Governance

Pursuant to the provision of Regulation 27(2) of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 regarding Corporate Governance Report is not applicable on our Company due to applicability of exemption provided under Regulation 15(2) of SEBI (LODR) Regulations, 2015

As per Regulation 15(2) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the compliance with the Corporate Governance provisions as specified in regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 and paras C, D and E of Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 shall not apply, in respect of:

- a) the listed entity having **paid up equity share capital not exceeding Rs. 10 Crores** and **Net worth not exceeding Rs. 25 Crores**, as on the last day of the previous financial year.  
Provided that where the provisions of the regulations specified in this regulation becomes applicable to a listed entity at a later date, such listed entity shall comply with the requirements those regulations within six months from the date on which the provisions became applicable to the listed entity.

Accordingly the paid-up Share Capital of our Company is Rs. 3,14,07,000/- (Rupees Three Crore Fourteen Lakhs & Seven Thousand Only) i.e. below Rs. 10 Crore and Net Worth of the Company is Rs. 191729170/- as on March 31, 2019 which is not exceeding Rs. 25 Crore and hence **Corporate Governance provisions are not applicable to the Company.**

## ➤ Directors Responsibility Statement

Pursuant to the requirement under Section 134(3)(c) and 134(5) of the Companies Act, 2013, the directors confirm that:

1. In the preparation of annual accounts for the financial year ended March 31, 2019, the applicable Indian accounting standards (IND AS) have been followed.
2. They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
3. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. They have prepared the annual accounts on a going concern basis;
5. They have laid down internal financial controls which are adequate and are operating effectively; and
6. They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## ➤ Human Resources

Human resources play a key role in the performance of every organization. Your Company strongly believes that it is the employees who will make significant contributions to the success and growth of a business. The employee relations remained steady and harmonious throughout the year under review resulting in high level of performance.



Employees are our vital and most valuable assets. We have created a favorable work environment that encourages innovation and meritocracy. We have also set up a scalable recruitment and human resources management process, which enables us to attract and retain high caliber employees. During the year, the Company employed around 10 employees on permanent rolls.

## ➤ **Loans, Guarantees or Investments in Securities**

The Company has not given any loans or given any guarantees or provided any securities to any person or body corporate mentioned under Section 186 of the Companies Act, 2013.

## ➤ **Particulars of Contracts & Arrangements made with Related Parties**

All contracts/arrangements/transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract/ arrangement/transaction with related parties which could be considered material in accordance with the provisions of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The particulars of Contracts or Arrangements made with related parties as required under Section 134(3)(h) of the Companies Act, 2013 are covered under Note No. 29 to the Financial statement, which is set out for related party transactions.

The Policy on dealing with related party transactions as approved by the Board may be accessed on the Company's website at the link: <http://www.megrisoft.com/pdfs/rptp.pdf>

## ➤ **Annual Return**

The extracts of Annual Return pursuant to the provisions of Section 92, 134 and Rule 12 of the Companies (Management and Administration) Rules, 2014 for the financial year 2018-19 in Form MGT-9 is annexed hereto and form part of this report as **Annexure IV**.

The Annual return of the Company for Financial Year 2018-19 can also be accessed on the Company's website i.e <https://www.megrisoft.com/>

## ➤ **Internal Financial Control and its Adequacy**

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of its fraud, error reporting mechanisms, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

## ➤ **Particulars of the Employees**

The disclosures in respect of managerial remuneration as required under section 197(12) read with Rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 is attached in **Annexure V** and forms part of this report. None of the employees has received salary of ` 1.02 crores per annum or ` 8.50 lakh per month or more during the Financial Year 2018-19. Accordingly, no particulars of employees are required to be given as per Rule 5 (2) and 5 (3) Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014. Since the Company has no Holding Company, no particulars are required to be given pursuant to the provisions of section 197(14) of the Companies Act, 2013.

## ➤ **Material changes and commitments, if any, affecting the financial position of the Company occurred between the end of the Financial Year to which this financial statements relate and the date of the report:**

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate on the date of this report.

## ➤ **General Disclosures**

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Details relating to deposits covered under Chapter V of the Act.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. No material changes and commitments affecting the financial position of the Company occurred between the end of the Financial Year to which this financial statements relate and the date of this report.
4. No change in nature of Business of the Company.

Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

## ➤ **Green Initiatives**

Electronic copies of the Annual Report 2018-19 and the Notice of the 28th Annual General Meeting are sent to all members whose email addresses are registered with the Company/depository participant(s). For members who have not registered their email addresses, physical copies are sent in permitted mode.

➤ **Acknowledgment**

We thank our customers, vendors, investors and bankers for their continued support during the year. We place on record our appreciation of the contribution made by our employees at all levels. Our consistent growth was made possible by their hard work, solidarity, cooperation and support.

We also thank the Government of various countries where we have our operations. We also thank the Government of India, particularly the Ministry of Communication and Information Technology, the Customs and Excise Departments, the Income Tax Department, the Ministry of Commerce and industry, the Ministry of Corporate Affairs, the Ministry of Finance, the Reserve Bank of India, the state governments, the Software Technology Parks (STPs)-Mohali/ Special Economic Zones (SEZs) and other government agencies for their support, and look forward to their continued support in the future.

**For and on behalf of the Board**

**Place: Chandigarh**  
**Date: May 22, 2019**

**Mohnesh Kohli**  
**Director**  
**DIN:01784617**

**Rajnesh Sharma**  
**Whole-Time Director**  
**DIN:02528435**

## **Management Discussion and Analysis**

Management Discussion and Analysis Report as stipulated under Regulation 34 (2) (e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, forms part of this Annual Report.

### ➤ **Overview**

Megri Soft Limited (also referred to as “the Company”) is a leading provider of comprehensive web products and solutions from iPhone, Android, cloud applications, cms development, domain investments, paid search advertising work, web design, hosting, development, programming, web software, mobile and web applications, SEO, PPC, social media and internet marketing outsourcing Company. As more and more people start to use the world-wide-web or the internet, the businesses of web based services and websites are growing. However, the key to success in this space remains the ability to attract as many customers for web development and digital marketing.

With the advent of newer technologies and widespread penetration of communication channels like smartphones and tablet PCs in India, businesses in web based industry is on the rise.

During the year under review, the Company has been carrying on dotcom and information technology business, Domain Registration, Web Hosting, Web Designing, Web Development, Web Scripting, Web Based Software Development, Web Promotion, Search Engine Optimization, Link Building and SEO services in addition to development of its own Indian and International Web Portals/Vortals on various subjects as well as provided IT/ITES services to the clients also.

### ➤ **Industry Structure and Development**

The Internet industry in fact has spawned an emerging dotcom sector, and is responsible in large part for its current high powered growth. The strong software sector is now playing parent to the nascent dot com brigade, providing newbies with an edge over competitors. The dotcom companies have added a repertoire of skills by including e-business and e-commerce solutions and expertise which is currently the hottest and most in-demand both overseas and in the domestic markets.

The Government too is playing the indulgent patron. The Government of India's decision to increase Internet bandwidth will enable Internet penetration to rise which will help in expanding the dotcom business and increase the overall efficiency of the internet export business industry.

### ➤ **Opportunities and Threats**

The Company has a lot of scope of increasing its IT export business in the coming times and have growth in sales because of the having technology edge which it has in comparison with other competitor firms as well as in the international business sector. The Company is already taking steps to increase web apps and mobile development work which is trending.

The Company has a vast pool of English speaking and skilled manpower, which rates high on qualifications, capabilities, and quality of work and work ethics which will help the Company in its growth and expansion in the coming times.

The Company's unique geographical location enables 24x7 service offering and reduction in turnaround time due to time zone difference, thereby giving the best to its clients who will ultimately increase the Company's business and its performance. Our motto of manpower is providing services with not only proficiency but also efficiency.

With the increase in the dotcom business more and more firms are opting in this field which will increase the competition in the market with regards to cost and pricing. But the Company has competed with the number of foreign firms as well as domestic competition in the past and is very confident of facing the future competition as well as emerging as a winner.

Because of the opening up of the software business sector and increasing work pressure of project deadlines there is a lot of pressure on people and salaries. The Company has had a good track record of employee retention; therefore, it would be able to maintain the quality of the employees in the future as well. The Company being in the IT sector is having risk of Data Security, Attrition, Content Liability, IPR Protect, Obsolescence and Competition Risk.

### ➤ **Outlook**

The Company is increasing the Search Engine Optimization and IT related services in the United Kingdom (UK) since past few years. Considering the fact, the Company has incorporated a wholly owned subsidiary in London, United Kingdom in order to expand its business in coming years.

### ➤ **Risk Concerns**

The Company has a well-structured and robust risk management mechanism, which includes a comprehensive register that lists the identified risks, its impact and the mitigation strategy.

### ➤ **Discussion on Financial Performance**

The financial statements have been prepared in compliance with the requirements of the Companies Act, 2013, guidelines issued by the Securities and Exchange Board of India (SEBI) and Indian Accounting Standards (Ind-AS) in India. The Management of the Company accepts responsibility for the integrity and objectivity of these financial statements, as well as for various estimates and judgments used therein. The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, so that the financial statements reflect in a true and fair manner the form and substance of transactions, and reasonably present our state of affairs, profits and cash flows for the year.

The Company is adequately funded to take care of its current growth plans through the funds generated by its operations. The financial performance of the Company reflects its position in the industry. Being an industry leader with its core business of SEO, the Company is increasing its revenues contributing to higher profits in the past few years.

## ➤ **Material Development in Human Resources and Environment**

The Company's track record in terms of people retention is very good. To effectively meet the future challenges of the Company, plans have been drawn up and they are being executed to equip the human resources accordingly. Therefore, the Company is adequately prepared for any risk in this business. The business of the Company is non-polluting. People are the key differentiators for business success today and ensuring the development of the right skills and behaviours at all levels in the organization is of paramount importance at Megrisoft.

## ➤ **Internal Financial Control**

Megri Soft has proper and adequate system of internal controls to ensure that all assets are safeguarded and protected against loss from unauthorised use or disposition, and those transactions are authorised, recorded and reported correctly.

The internal control is supplemented by an extensive programme of internal audits, review by management and the Audit Committee, and documented policies, guidelines and procedures. The internal control is designed to ensure that financial and other records are reliable for preparing financial information and other data, and for maintaining accountability of assets.

## ➤ **Forward Looking Statement**

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual results might differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations include a downtrend in the Indian online sector, advertising spends, new disruptive technologies or business models, significant changes in political and economic environment in India, exchange rate fluctuations, tax laws, litigation, labour relations and interest costs.

**Form AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)  
Statement containing salient features of the financial statements of subsidiaries/associate companies/joint ventures

**Part "A": Subsidiaries**

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Sl. No.	Particulars	Details
1.	Name of the subsidiary	MEGRISOFT LIMITED
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same as Holding Company
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	British Pound Sterling (Rs. 90.50 as on March 31, 2019)
4.	Share capital	Rs 9,050 (100 pounds)
5.	Reserves & surplus	Rs 7.24 Lakhs
6.	Total assets	Rs 39.42 Lakhs
7.	Total Liabilities	Rs 39.42 Lakhs
8.	Investments	N.A.
9.	Turnover	Rs 65.72 Lakhs
10.	Profit before taxation	Rs 5.67 Lakhs
11.	Provision for taxation	Rs 1.13 Lakhs
12.	Profit after taxation	Rs 4.54 Lakhs
13.	Proposed Dividend	N.A.
14.	% of shareholding	100%

**Notes:** The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations: Nil
- Names of subsidiaries which have been liquidated or sold during the year: Nil

**Part "B": Associates and Joint Ventures**

**Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

Name of Associates/Joint Ventures	N.A.		
1. Latest audited Balance Sheet Date	N.A	N.A	N.A
2. Shares of Associate/Joint Ventures held by the company on the year end	N.A	N.A	N.A
No.	N.A	N.A	N.A
Amount of Investment in Associates/Joint Venture	N.A	N.A	N.A
Extend of Holding%	N.A	N.A	N.A
3. Description of how there is significant influence	N.A	N.A	N.A

4. Reason why the associate/joint venture is not consolidated	N.A	N.A	N.A
5. Net worth attributable to shareholding as per latest audited Balance Sheet	N.A	N.A	N.A
6. Profit/Loss for the year	N.A	N.A	N.A
i. Considered in Consolidation	N.A	N.A	N.A
ii. Not Considered in Consolidation	N.A	N.A	N.A

**Note:**

- Names of associates or joint ventures which are yet to commence operations - **NA**
- Names of associates or joint ventures which have been liquidated or sold during the year. - **NA**

**For and on behalf of the Board**

**Place: Chandigarh**  
**Date: May 22, 2019**

**Mohnesh Kohli**  
**Director**  
**DIN:01784617**

**Rajnesh Sharma**  
**Whole-Time Director**  
**DIN:02528435**

**NOMINATION AND REMUNERATION POLICY  
OF**

**MEGRI SOFT LIMITED**

**(U/s 178 of the Companies Act, 2013 and Clause 49 (IV) of the Amended Listing Agreement)**

**1. PREFACE:**

In terms of the provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, this policy on Nomination and Remuneration of Directors and Senior Management has been formulated by the Committee and approved by the Board of Directors in their meeting held on 1st November, 2014. The policy is as under:-

**2. ROLE OF THE COMMITTEE:**

- a) To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down and recommend to Board their appointment and removal
- b) To formulate criteria for determining qualifications, positive attributes and independence of a Director.
- c) To recommend to the Board, remuneration policy related to remuneration of Directors (whole time Directors, Executive Directors etc), Key Managerial Personnel and other employees while ensuring the following:-
  - i. That the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully.
  - ii. That relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
  - iii. That remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate of the working of the company and its goals.
- d) To formulate criteria for evaluation of Directors and the Board.
- e) To devise a policy on Board diversity.

**3. MEMBERSHIP:**

- a) The Committee shall consist of a minimum 3 non executive directors, majority of them being independent.
- b) Minimum two (2) members shall constitute a quorum for the Committee meeting.
- c) Membership of the Committee shall be disclosed in the Annual Report.
- d) Term of the Committee shall be continued unless terminated by the Board of Directors.

**4. CHAIRMAN:**

- a) Chairman of the Committee shall be an Independent Director.
- b) Chairman of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.
- c) In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.
- d) Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

**5. FREQUENCY OF MEETINGS:**

The meeting of the Committee shall be held at such regular intervals as may be required.

**6. COMMITTEE MEMBERS' INTERESTS:**

- a) A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- b) The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

**7. SECRETARY:**

The Company Secretary of the Company shall act as Secretary of the Committee.

**8. VOTING:**

- a) Decisions of the Committee shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
- b) In the case of equality of votes, the Chairman of the meeting will have a casting vote.

**9. MINUTES OF COMMITTEE MEETING:**

The minutes of all the proceedings of all meetings must be signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board meetings.

**10. EFFECTIVE DATE & AMENDMENTS:**

This policy will be effective from 1st November, 2014 and may be amended subject to the approval of Board of Directors



**Form No. MR-3  
Secretarial Audit Report**

**For the Financial Year Ended March 31, 2019**

**[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

To,  
The Members,  
**Megri Soft Limited**  
S.C.O.80, Sector 47-D,  
Chandigarh-160047

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Megri Soft Limited** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us with a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the books, papers, minute 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 audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2019**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by **Megri Soft Limited** ("The Company") for the period ended on **March 31, 2019** according to the provisions of:
  - a. The Companies Act, 2013 (**the Act**) and the Rules made thereunder;
  - b. The Securities Contracts (Regulation) Act, 1956 ('**SCRA**') and the Rules made thereunder;
  - c. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
  - d. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
  - e. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('**SEBI Act**');
    - i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
    - iii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (**Not applicable to the Company during the Audit Period**);
    - iv. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on October 28, 2014 (**Not applicable to the Company during the Audit Period**);
    - v. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (**Not applicable to the Company during the Audit Period**);
    - vi. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
    - vii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (**Not applicable to the Company during the Audit Period**);
    - viii. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (**Not applicable to the Company during the Audit Period**);

We have also examined compliance with the applicable clauses/regulations of the following:

- I. Secretarial Standards issued by The Institute of Company Secretaries of India and effective from 01.07.2015.
- II. The Listing Agreements entered into by the Company with BSE Limited & Metropolitan Stock Exchange of India Limited (MSEI)/SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.  
During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on the agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Place : Zirakpur  
Date : May 22, 2019

For A.M. & Associates

CS Ankur Mahindru (Proprietor)  
Membership No. 27853,  
C.P. NO. 9951

**Annexure-A**

To,  
The Members,  
**Megri Soft Limited**  
S.C.O.80, Sector 47-D,  
Chandigarh-160047

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, and standards is the responsibility of management. Our examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit report 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 : Zirakpur**  
**Date : May 22, 2019**

**For A.M. & Associates**

**CS Ankur Mahindru (Proprietor)**  
**Membership No. 27853,**  
**C.P. NO. 9951**

**Form No. MGT-9**  
**Extract of Annual Return**  
**As for the financial year ended on March 31, 2019**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

<b>I.</b>	<b>Registration And Other Details</b>	
i)	CIN (Corporate Identification Number)	L72200CH1992PLC011996
ii)	Registration Date	5th February 1992
iii)	Name of the Company	Megri Soft Limited
iv)	Category / Sub-Category of the Company	Public Company/Limited by shares
v)	Address of the Registered office and contact details	S.C.O. 80, FIRST FLOOR, BACK SIDE, SECTOR- 47, CHANDIGARH-160047 Tel No. : +91-0172-2631561 Fax No.: +91-0172- 5012787
vi)	Whether listed Company	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent	Beetal Financial & Computer Services Pvt. Ltd Beetal House, 3rd Floor, 99 Madangir, Behind Local Shopping Centre, Near Dada Harsukhdas Mandir, New Delhi- 110062 Phone: +911129961281-83 Fax: +911129961284 Email: <a href="mailto:beetal@beetalfinancial.com">beetal@beetalfinancial.com</a>
<b>II.</b>	<b>Principal Business Activities of the Company</b>	<b>As per Attachment A</b>
<b>III.</b>	<b>Particulars Of Holding, Subsidiary And Associate Companies</b>	<ul style="list-style-type: none"> <li><b>Name:</b> MEGRISOFT LIMITED</li> <li><b>Country :</b> U.K.</li> <li><b>Subsidiary Company</b></li> <li><b>Registration No. :</b> 10434642</li> <li><b>% Holding at March 31, 2019-</b> 100%</li> </ul>
<b>IV.</b>	<b>Shareholding Pattern (Equity Share Capital Breakup As Percentage Of Total Equity)</b>	<b>As per Attachment B</b>
i)	Category-wise Shareholding	
ii)	Shareholding of Promoters	
iii)	Change in Promoters' Shareholding	
iv)	Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)	
v)	Shareholding of Directors and Key Managerial Personnel	
<b>V.</b>	<b>Indebtedness of the Company including interest outstanding/accrued but not due for payment</b>	<b>As per Attachment C</b>
<b>VI.</b>	<b>Remuneration Of Directors And Key Managerial Personnel</b>	<b>As per Attachment D</b>
A.	Remuneration to Managing Director, Whole-time Directors and/or Manager	
B.	Remuneration to other directors	
C.	Remuneration to Key Managerial Personnel other than MD/Manager/WTD	
<b>VII.</b>	<b>Penalties/Punishment/Compounding Of Offences</b>	<b>Nil</b>



e)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
f)	Insurance Companies	-	-	-	-	-	-	-	-	-
g)	Foreign Institutional Investors	-	-	-	-	-	-	-	-	-
h)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
i)	Any other (specify)	-	-	-	-	-	-	-	-	-
	<b>Sub-Total B(1)</b>	-	-	-	-	-	-	-	-	-
<b>(2)</b>	<b>Non-Institutions</b>									
a)	Bodies Corporate	252216	73600	325816	10.37	152300	15500	167800	5.34	-5.03
b)	Individuals	-	-	-	-	-	-	-	-	-
i)	Individual shareholders holding nominal share capital up to Rs.1 Lakh	2844	388500	391344	12.46	10349	288200	298549	9.51	-2.95
ii)	Individual shareholders holding nominal share capital in excess of Rs.1 Lakh	361895	77400	439295	13.99	432406	105700	538106	17.13	3.14
c)	Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
d)	Any Other	1695	-	1695	0.06	1695	-	1695	0.06	-
	<b>Sub-Total B(2)</b>	<b>618650</b>	<b>539500</b>	<b>1158150</b>	<b>36.87</b>	<b>596750</b>	<b>409400</b>	<b>1006150</b>	<b>32.04</b>	<b>-4.84</b>
	<b>Total Public Shareholding [B=B(1)+B(2)]</b>	<b>618650</b>	<b>539500</b>	<b>1158150</b>	<b>36.87</b>	<b>596750</b>	<b>409400</b>	<b>1006150</b>	<b>32.04</b>	<b>-4.84</b>
<b>C</b>	<b>Shares Held by Custodian For GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
	<b>Grand Total(A+B+C)</b>	<b>2601200</b>	<b>539500</b>	<b>3140700</b>	<b>100</b>	<b>2731300</b>	<b>409400</b>	<b>3140700</b>	<b>100</b>	<b>-</b>

## ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding As on 01.04.2018			Shareholding As on 31.03.2019			
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total shares	% change during the year
1.	Mohnesh Kohli	6,68,500	21.28	-	7,07,000	22.51	-	1.23
2.	Neena	3,91,100	12.45	-	3,91,100	12.45	-	-
3.	Aprajita Kohli	1,51,700	4.83	-	1,62,700	5.18	-	0.35
4.	Austin Kohli	1,55,200	4.94	-	2,20,200	7.01	-	2.07
5.	Mohnesh Kohli HUF	3,08,350	9.82	-	3,45,850	11.01	-	1.19

6.	Basel Investments Limited	3,07,700	9.80	-	3,07,700	9.80	-	-
	<b>Total</b>	<b>19,82,550</b>	<b>63.12</b>	<b>-</b>	<b>21,34,550</b>	<b>67.96</b>	<b>-</b>	<b>4.84</b>

iii) Change in Promoters' Shareholding - There were following changes in Promoters Shareholding during FY 2018-19.

Sl. No.	Name of Promoter	Shareholding		Date	Increase/ (Decrease) in Shareholding	Reason	Cumulative Shareholding during the year (01.04.2018 to 31.03.2019)	
		No. of Shares at the beginning/ end of year	% of total shares of the Company				No. of Shares	% of total shares of the Company
1.	Mohnesh Kohli	6,68,500	20.31	01.04.2018				
				30.04.2018	15,000	Purchase	6,83,500	21.76
				20.06.2018	23,500	Purchase	7,07,000	22.51
		7,07,000	22.51	31.03.2019				
2.	Neena	3,91,100	12.45	01.04.2018	0	Nil movement during the year	-	-
		3,91,100	12.45	31.03.2019			3,91,100	12.45
3.	Aprajita Kohli	1,51,700	4.83	01.04.2018				
				20.06.2018	5,000	Purchase	1,56,700	4.99
				01.03.2019	6,000	Purchase	1,62,700	5.18
		1,62,700	5.18	31.03.2019				
4.	Austin Kohli	1,55,200	4.94	01.04.2018			-	-
				30.04.2018	14,000	Purchase	1,69,200	5.39
				20.06.2018	20,000	Purchase	1,89,200	6.02
				11.10.2018	31,000	Purchase	2,20,200	7.01
		2,20,200	7.01	31.03.2019				
5.	Mohnesh Kohli HUF	3,08,350	9.82	01.04.2018				
				30.04.2018	15,000	Purchase	3,23,350	10.29
				20.06.2018	22,500	Purchase	3,45,850	11.01
		3,45,850	11.01	31.03.2019				
6.	Basel Investments Limited	3,07,700	9.80	01.04.2018	0	Nil movement during the year	-	-
		3,07,700	9.80	31.03.2019			3,07,700	9.80

iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No.	Name	Shareholding		Date	Increase/ (Decrease) in share-holding	Reason	Cumulative Shareholding during the year (01.04.2018 to 31.03.2019)	
		No. of Shares at the beginning/ end of year	% of total shares of the Company				No. of Shares	% of total shares of the Company
1.	Tech Junkies Limited	1,52,300	4.85	01.04.2018	0	Nil movement during the year	1,52,300	4.85
		1,52,300	4.85	31.03.2019				
2.	Komal Sharma	58,975	1.88	01.04.2018				
				-	Decrease	Sale	29,475	0.94
				-	Increase	Purchase	1,08,148	3.44
		1,08,148	3.44	31.03.2019				
3.	Vikram Joshi	29,700	0.95	01.04.2018				
				-	Increase	Purchase	30,200	0.96
				-	Increase	Purchase	57,800	1.84
		57,800	1.84	31.03.2019				
4.	Simranjit Singh Sidhu	26,900	0.85	01.04.2018				
				-	Decrease	Sale	26,800	0.85
				-	Increase	Purchase	44,800	1.43
		44,800	1.43	31.03.2019				
5.	Sukhvir Singh	42,000	1.34	01.04.2018	0	Nil movement during the year	42,000	1.34
		42000	1.34	31.03.2019				
6.	Arun Mahajan	31,300	0.97					
				-	Increase	Purchase	41,300	1.32
				-	Decrease	Sale	41,200	1.31
		41,200	1.31	31.03.2019				
7.	Satvinder Singh	29,900	0.95	01.04.2018				
				-	Increase	Purchase	37,500	1.19
		37,500	1.19	31.03.2018				
8.	Suveer Sachdeva	30,900	0.98	01.04.2018	0	Nil movement during the year	30,900	0.98
		30,900	0.98	31.03.2019				
9.	Vikram Karam Chand Bhanot	24,872	0.79	01.04.2018				
				-	Decrease	Sale	0	0
				-	Increase	Purchase	30,000	0.95



		30,000	0.95	31.03.2019				
10.	Manjit Singh	27,850	0.88	01.04.2018				
				-	Decrease	Sale	27,550	0.87
		27,550	0.87	31.03.2019				

#### v) Shareholding of Directors and Key Managerial Personnel

Sl. No.	Name	Shareholding		Date	Increase/ (Decrease) in Shareholding	Reason	Cumulative Shareholding during the year (01.04.2018 to 31.03.2019)	
		No. of Shares at the beginning/ end of year	% of total shares of the Company				No. of Shares	% of total shares of the Company
1.	Mohnesh Kohli (Promoter & Director)	6,38,000	20.31	01.04.2018				
				30.04.2018	15,000	Purchase	6,83,500	21.76
				20.06.2018	23,500	Purchase	7,07,000	22.51
		7,07,000	22.51	31.03.2019				
2.	Rajnish Sharma (Whole- Time Director & CFO)	0	-	01.04.2018	-	Nil Holding during the year	-	-
		0	-	31.03.2019			0	-
3.	Aprajita Kohli	1,51,700	4.83	01.04.2018				
				20.06.2018	5,000	Purchase	1,56,700	4.99
				01.03.2019	6,000	Purchase	1,62,700	5.18
		1,62,700	5.18	31.03.2019				
4.	Mahesh Kumar (Independent Director)	0	-	01.04.2018	0	Nil holding during the period	-	-
		0	-	31.03.2019				
5.	Dikha (Independent Director)	0	-	01.04.2018	0	Nil holding during the year	0	-
		0	-	31.03.2019			0	-
8.	*Pratima Yadav (Company Secretary/ Compliance Officer)	0	-	20.11.2018	0	Nil holding during the year	0	-
		0	-	31.03.2019			0	-

\* Ms. Pratima Yadav, Company Secretary resigned from the Company w.e.f. 29th March,2019 and Ms. Aman Priya has been appointed as Company Secretary in her place w.e.f. 22nd May,2019.

## Attachment C

### Indebtness

#### Indebtedness Of The Company Including Interest Outstanding/accrued But Not Due For Payment

Amount (in Lakhs)					
Particulars		Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness as on 01.04.2018					
i)	Principal Amount	Nil	Nil	Nil	Nil
ii)	Interest due but not paid	Nil	Nil	Nil	Nil
iii)	Interest accrued but not due	Nil	Nil	Nil	Nil
TOTAL (i+ii+iii)			-	-	
Change in Indebtedness during the financial year					
Addition			-	-	
Reduction			-	-	
Exchange Difference		-	-	-	-
Net Change			-	-	
Indebtedness as on 31.03.2018					
i)	Principal Amount	Nil	Nil	Nil	Nil
ii)	Interest due but not paid	Nil	Nil	Nil	Nil
iii)	Interest accrued but not due	Nil	Nil	Nil	Nil
TOTAL (i+ii+iii)		Nil	Nil	Nil	Nil

## Attachment D

### Remuneration Of Directors And Key Managerial Personnel

#### A. Remuneration To Managing Director, Whole-Time Directors And/or Manager:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount (Rs. in Lakhs)
		Rajnesh Sharma (Whole Time Director)	
1.	Basic Pay	3.34	3.34
2.	Other Perquisites	0.00	0.00
<b>Total</b>		<b>3.34</b>	<b>3.34</b>

#### B. Remuneration to other directors: Nil

### C. Remuneration To Key Managerial Personnel Other Than MD/Manager/WTM

Sl. No.	Particulars of Remuneration	Name of KMP other than MD/Manager/WTD		Total Amount (Rs. in Lakhs)
		Rajnish Sharma (Chief Financial Officer)	*Pratima Yadav(Company Secretary/Compliance Officer)	
1.	Basic Pay	Please refer table above for details	2.43	2.43
2.	Other Perquisites		0.00	0.00
Total			2.43	2.43

\* Ms. Pratima Yadav, Company Secretary resigned from the Company w.e.f. 29th March, 2019 and Ms. Aman Priya has been appointed as Company Secretary in her place w.e.f. 22nd May, 2019.

### Annexure V

#### DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197 (12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

- The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the Financial Year 2018-19 and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2018-19 are as under:

Sr. No.	Name of Director/KMP and Designation	Remuneration of Director/KMP for Financial Year 2018-19 ( In Lakhs)	% increase in remuneration In Financial Year 2018-19	Ratio of remuneration of each Director to median remuneration of employees
1.	Rajnish Sharma, Whole Time Director & CFO	3.34	9.15%	1.22
3.	Pratima Yadav, Company Secretary	2.43	N.A	N.A.

- The median remuneration of employees of the Company during the Financial Year was 2.74 Lakhs (previous year 2.06 Lakhs)
- In the Financial Year, there was an Increase of 33 % in the median remuneration of employees.
- There were 12 permanent employees on the rolls of the Company as on 31st March, 2019.
- Average percentage decrease made in the salaries of employees other than managerial personnel in the last Financial Year i.e. 2018-19 was 12.13 %.
- It is hereby affirmed that the remuneration paid is as per the as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

## **Independent Auditors' Report**

To the Members of  
Megri Soft Limited

### **Report on the Standalone Financial Statements Opinion**

We have audited the standalone financial statements of Megri Soft Limited ("the Company"), which comprise the standalone balance sheet as at 31 March 2019, and the standalone statement of profit and loss, standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion, and to the best of our information and according to the explanations given to us, the accompanying financial statements give the information required by The Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India of the state of affairs of the company as at 31<sup>st</sup> March 2019, and profit & loss, changes in equity and its cash flow for the year ended on that date.

### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Information other than the Standalone Financial Statements and Auditors' Report Thereon**

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the standalone financial statements and our auditors' report thereon. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Management's Responsibility for the Financial Statements**

The Management and Board of Directors of the Company are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the act') with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

## **Auditors' Responsibility**

Our responsibility is to express an opinion on these standalone financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements, that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's management and Board of Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on financial statements.

## **Report on Other Legal and Regulatory Requirements**

- 1) .As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure "A" a statement on the matters Specified in paragraphs 3 and 4 of the Order to the extent applicable.

- 2) As required by section 143(3) of the Act, we report that:
- A. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - B. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - C. The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - D. In our opinion, the aforesaid financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014;
  - E. On the basis of written representations received from the directors as on March 31, 2019, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019, from being appointed as a director in terms of Section 164(2) of the Act;
  - F. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
  - G. In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014.
    - The Company has disclosed the pending litigation in its financial statements -Refer Note 25 to the financial statements
    - The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise
    - There has been no occasion during the year under review to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise.

**Place: Chandigarh**  
**Date: May 22, 2019**

**For Kapil Sandeep & Associates**  
**Chartered Accountants**  
**Firm Registration No. 0016244N**

**(Kapil Sabharwal)**  
**Partner**  
**Membership No. 096858**

## **Annexure "A" To Auditor's Report**

**Referred to in our report of even date on the financial statements for the period ended 31.03.2019 of Megri Soft Limited.**

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

1. In respect of its fixed assets:

**A.** The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.

**B.** The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.

**C.** According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the Balance Sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the standalone financial statements, the lease agreements are in the name of the Company.

2. The Company is in the business of rendering software services, and consequently, does not hold any inventory. Therefore, the provisions of Clause (ii) of paragraph 3 of the said Order are not applicable to the Company.

3. According to the information and explanations furnished to us, the company has not granted secured or unsecured loans to companies, firms or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.

4. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security, as applicable.

5. The Company has not accepted any deposits from the public during the year and hence the provisions of clause 3 (v) of the Order are not applicable to the company.

6. The maintenance of cost records has not been specified by the Central Government under Section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under Clause 3(vi) of the order is not applicable to the Company.



7. According to the information and explanations given to us and based on the records of the company examined by us:

a. The Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2019 for a period of more than six months from the date on when they become payable.

b. There are no material dues of duty of customs, duty of excise, sales tax, service tax, Value added tax which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us, the following dues of income tax have not been deposited/disputed by the Company:

Nature of Statute	Nature of Dues	Amount (in Rs.)	Period to which amount relates	Forum where dispute is pending
Income tax Act, 1961	Tax and interest	73,47,744/-	Assessment Year 2013-14	CIT(Appeals)
Income tax Act, 1961	Tax and interest	65,15,710/-	Assessment Year 2014-15	CIT(Appeals)
Income tax Act, 1961	Tax and interest	18,67,998/-	Assessment Year 2016-17	CIT(Appeals)

8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures. Hence, the provisions of clause 3 (vii) of the Order are not applicable to the Company.

9. The company has not raised money by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company.

10. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.

11. Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;

12. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.

13. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

14. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.

15. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

16. In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

**Place: Chandigarh**  
**Date: May 22, 2019**

**For Kapil Sandeep & Associates**  
**Chartered Accountants**  
**Firm Registration No. 0016244N**

**(Kapil Sabharwal)**  
**Partner**  
**Membership No. 096858**

## **“Annexure B” to the Independent Auditor’s Report**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of Megri Soft Limited (“the Company”) as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

## **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI).

**Place: Chandigarh**

**Date: May22, 2019**

**For Kapil Sandeep & Associates**

**Chartered Accountants**

**Firm Registration No. 0016244N**

**(Kapil Sabharwal)**

**Partner**

**Membership No. 096858**

**MEGRI SOFT LIMITED**  
**CIN : L72200CH1992PLC011996**  
**Regd. Office : SCO 80, Sector 47D, Chandigarh -160047**  
**AUDITED STANDALONE BALANCE SHEET AS AT MARCH 31, 2019**

(Amount in '000)

S. No.	Particulars	Note	As At March 31,2019	As At March 31,2018
<b>A</b>	<b>ASSETS</b>			
<b>1</b>	<b>NON-CURRENT ASSETS</b>			
	Property, Plant and Equipment	3	71812	73084
	Other Intangible Assets	3	575	674
	Intangible Assets Under Development	3	17314	17314
	Financial Assets			
	(a) Non-Current Investments	4	11604	11074
	Deffered Tax Assets (Net)	5	477	360
	Other Non-Current Assets	6	36071	37198
	<b>Total Non-current Assets</b>		<b>137853</b>	<b>139704</b>
<b>2</b>	<b>CURRENT ASSETS</b>			
	Financial Assets			
	a) Trade Receivables	7	2824	3736
	b) Cash and Cash Equivalents	8	1069	786
	c) Bank balance other then (b) above	9	48922	42819
	d) Other Current Assets	10	3111	2692
	<b>Total current Assets</b>		<b>55926</b>	<b>50033</b>
	<b>Total Assets</b>		<b>193779</b>	<b>189737</b>
<b>B</b>	<b>EQUITY &amp; LIABILITIES</b>			
<b>1</b>	<b>SHAREHOLDERS' FUNDS</b>			
	(a) Equity Share Capital	11	31407	31407
	(b) Other Equity		160322	156525
<b>2</b>	<b>NON CURRENT LIABILTIES</b>			
	Financial Liabilities			
	(a) Long-Term Borrowings		-	-
	(b) Deferred Tax Liabilities (Net)		-	-
	<b>Total Non-current Liabilities</b>		<b>191729</b>	<b>187932</b>
<b>3</b>	<b>CURRENT LIABILTIES</b>			
	Financial Liabilities			
	(a) Trade payables	12	-	178
	(b) Other current liabilities	13	370	185
	(c) Provisions	14	1680	1442
	<b>Total Current Liabilities</b>		<b>2050</b>	<b>1805</b>
	<b>Total Equity and Liabilities</b>		<b>193779</b>	<b>189737</b>

Significant Accounting Policies 1-2  
Notes forming integral part of Financial Statements 3-30

The accompanying notes form an integral part of standalone financial statements  
As per our report of even date attached

**For Kapil Sandeep & Associates**  
**Chartered Accountants**  
**Firm Registration No. 0016244N**

**For and on behalf of Board Of Directors**

**(Kapil Sabharwal)**  
**Partner**  
**Membership No. 096858**

**Mohnesh Kohli**  
**(Director)**  
**DIN: 01784617**

**Rajnesh Sharma**  
**(Whole Time Director**  
**& CFO)**  
**DIN: 02528435**

**Place: Chandigarh**  
**Date: May 22,2019**

**MEGRI SOFT LIMITED**  
**CIN : L72200CH1992PLC011996**  
**Regd. Office : SCO 80, Sector 47D, Chandigarh -160047**  
**STATEMENT OF AUDITED STANDALONE PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019**

(Amount in '000) except EPS

S. No.	Particulars	Note	As At March 31,2019	As At March 31,2018
<b>I</b>	Revenue From Operations	<b>15</b>	18032	16042
	Other income	<b>16</b>	4229	2990
	<b>Total Revenue</b>		<b>22261</b>	<b>19032</b>
	<b>EXPENSES</b>			
	a) Employees Benefit Expenses	<b>17</b>	3973	4264
	b) Finance Cost	<b>18</b>	52	118
	c) Depreciation & Amortization Expenses	<b>19</b>	1194	2244
	d) Other Expenses	<b>20</b>	12032	8381
<b>II</b>	<b>Total Expenses</b>		<b>17251</b>	<b>15007</b>
<b>III</b>	<b>Profit before tax (I-II)</b>		<b>5010</b>	<b>4025</b>
	<b>Tax Expenses</b>			
	a) Current Tax		1330	1130
	b) Deferred Tax (Assets)/Liabilities		(117)	(165)
<b>IV</b>	<b>Total Tax Expenses</b>		<b>1213</b>	<b>965</b>
<b>V</b>	<b>Profit for the period (after Tax) (III-IV)</b>		<b>3797</b>	<b>3060</b>
	<b>Total Comprehensive income</b>		<b>3797</b>	<b>3060</b>
	Paid-up Equity Share Capital (face value of Rs. 10 per equity share)		31407	31407
	<b>Earning per Equity share of Rs. 10/- each (Annualised) :</b>			
	1) Basic	<b>21</b>	1.21	0.97
	2) Diluted		1.21	0.97

Significant Accounting Policies

1-2

Notes forming integral part of Financial Statements

3-30

The accompanying notes form an integral part of standalone financial statements  
As per our report of even date attached

**For Kapil Sandeep & Associates**  
**Chartered Accountants**  
**Firm Registration No. 0016244N**

**For and on behalf of Board Of Directors**

**(Kapil Sabharwal)**  
**Partner**  
**Membership No. 096858**

**Place: Chandigarh**  
**Date: May 22,2019**

**Mohnesh Kohli**                      **Rajnesh Sharma**  
**(Director)**                              **(Whole Time Director & CFO)**  
**DIN: 01784617**                      **DIN: 02528435**

**MEGRI SOFT LIMITED**  
**CIN : L72200CH1992PLC011996**  
**Regd. Office : SCO 80, Sector 47D, Chandigarh -160047**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019**

(Amount in '000)

Particulars	Year ended March 31, 2019		Year ended March 31, 2018	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
<b>Net Profit Before Tax</b>		5010		4025
Adjustments for:				
Interest Expenses	4		62	
Depreciation	1194		2244	
Profit on sale of Investments	(933)		(57)	
Interest on FDR's	(3140)		(2586)	
Dividend	(30)	(2905)	(26)	(363)
<b>Operating Profit before Working Capital Changes</b>		<b>2105</b>		<b>3662</b>
<b>Adjustments for:</b>				
Increase/(Decrease) in Short Term Borrowings	0		0	
Increase/(Decrease) in Trade Payables	(178)		-	
Increase/(Decrease) in Other Current Liabilities	185		(630)	
Increase/(Decrease) in Provisions	238		(648)	
(Increase)/Decrease in Trade Receivables	912		1302	
(Increase)/Decrease in Short Term Loans & Advances	0		0	
(Increase)/Decrease in Other Current Assets	(419)		4061	
(Increase)/Decrease in Other Non Current Assets	1127	1865	13502	17587
<b>Cash generated from operations</b>		<b>3970</b>		<b>21249</b>
Income Tax		(1330)		(1130)
<b>Net Cash flow from Operating activities</b>		<b>2640</b>		<b>20119</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
(Increase) /Decrease in Loan Term Loans & Advances				
(Purchase) of Fixed Assets	0		(32601)	
Sale of Fixed Assets	175		25	
(Increase) /Decrease in FDR	(6102)		5097	
(Increase) /Decrease in Investment	(529)		4404	
Interest on FDR's	3140		2586	
Dividend	30		58	
Sale of Investment	933		0	
<b>Net Cash used in Investing activities</b>		<b>(2353)</b>		<b>(20431)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
Interest on overdraft facility	(4)		(62)	
<b>Net Cash used in financing activities</b>		<b>(4)</b>		<b>(62)</b>
Net increase in cash & Cash Equivalents		283		(374)
Cash and Cash equivalents (Opening Balance)		786		1160
Cash and Cash equivalents (Closing Balance)		1069		786
<b>Net Decrease/(Increase) in Cash and Cash Equivalents</b>		<b>(283)</b>		<b>374</b>

Notes:

- Figures in brackets indicate cash outflow.
- Previous year's figures have been regrouped or reclassified wherever necessary.

**For Kapil Sandeep & Associates**  
**Chartered Accountants**  
**Firm Registration No. 0016244N**

**For and on behalf of Board Of Directors**

**(Kapil Sabharwal)**  
**Partner**  
**Membership No. 096858**

**Mohnesh Kohli**  
**Director**  
**DIN: 01784617**

**Rajnesh Sharma**  
**(Whole Time Director**  
**& CFO)**  
**DIN: 02528435**

**Place: Chandigarh**  
**Date: May 22,2019**



**MEGRI SOFT LIMITED**  
**CIN : L72200CH1992PLC011996**  
**Regd. Office : SCO 80, Sector 47D, Chandigarh -160047**  
**STATEMENT OF CHANGE IN EQUITY ( F.Y.2018-19)**

(Amount in '000)

Particulars	Equity Share Capital	Other Equity			Total equity attributable to equity holders
		Security Premium	General Reserves	Retained Earnings	
<b>Balance as at April 1, 2018</b>	<b>31407</b>		<b>5295</b>	<b>151230</b>	<b>187932</b>
<b>Changes in equity for the year ended March 31, 2019</b>					-
Profit for the period				3797	3797
Transfer to General Reserve			-	-	-
Dividends (including corporate dividend tax)					-
<b>Balance as at March 31, 2019</b>	<b>31407</b>	<b>-</b>	<b>5295</b>	<b>155027</b>	<b>191729</b>
<b>Statement of Change in Equity (FY 2017-18)</b>					
<b>Balance as at April 1, 2017</b>	<b>31407</b>	<b>-</b>	<b>4989</b>	<b>148476</b>	<b>184872</b>
<b>Changes in equity for the year ended March 31, 2018</b>	-				-
Profit for the period	-			3060	3060
Transfer to General Reserve			306	(306)	-
Dividends (including corporate dividend tax)	-		-		-
<b>Balance as at March 31, 2018</b>	<b>31407</b>	<b>-</b>	<b>5295</b>	<b>151230</b>	<b>187931</b>

**For Kapil Sandeep & Associates**  
**Chartered Accountants**  
**Firm Registration No. 0016244N**

**For and on behalf of Board Of Directors**

**(Kapil Sabharwal)**  
**Partner**  
**Membership No. 096858**

**Mohnesh Kohli**  
**(Director)**  
**DIN: 01784617**

**Rajnesh Sharma**  
**(Whole Time Director & CFO)**  
**DIN: 02528435**

**Place: Chandigarh**  
**Date: May 22,2019**

## **1.CORPORATE INFORMATION:-**

**Megri Soft Limited** is a public and profitable company and is among leading information technology consulting and Web Solutions organization that envisioned and pioneered the adoption of the flexible global business practices that today enable companies to operate more efficiently and produce more value. Megri Soft achieved this by creating and perfecting the global expertise and delivering high quality, high value services and deliver competitive advantage. Most of Megri Soft's customers reward the company's reliability, passion, creativity and unique ability to handle the broadest range of their Web Services needs by continually extending and deepening their partnerships with Megrisoft.

The Company is a public Limited Company Incorporated and domiciled in India and has its registered office at Chandigarh, India. The Company has its listing on BSE Limited and Metropolitan Stock Exchange of India Limited.

## **2.SIGNIFICANT ACCOUNTING POLICIES**

### **2.1 Basis of Preparation of Financial Statements**

These financial statements have been prepared to comply with the Indian Accounting Standards (Ind AS). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. The financial statements are prepared on accrual basis under the historical cost convention. The financial statements are presented in Indian rupees rounded off to the nearest thousand. The Company has adopted all the Ind AS standards mandatorily applicable and the adoption was carried out in accordance with Ind AS 101. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

### **2.2 Use of Estimates**

The preparation of financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements

### **2.3 Fixed Assets**

#### **a. Property, Plant & Equipment (Tangible Assets)**

Property, Plant & Equipment have been stated at cost, inclusive of attributable costs of bringing the assets to their working condition for their intended use, less depreciation and impairment loss, if any. Depreciation on assets is provided on a straight line method in the manner prescribed in Schedule II to the Companies Act, 2013.

#### **b. Intangible Assets**

Intangible assets are stated at cost less accumulated amortization and impairment, wherever applicable. Intangible assets are amortized over their respective individual estimated useful lives

on a straight line basis, from the date they are available for use. The estimated useful life of an identifiable asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end. The research costs are expensed as incurred. The development costs, which can be capitalized, include the cost of material, direct labour and overhead costs that are directly attributable to preparing the asset for its intended use.

- c. **Subsequent expenditure** related to an item of fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.
- d. **Gain/losses** arising from disposal of fixed assets are recognised in the Statement of Profit and Loss.

## 2.4 Depreciation & Amortization

**Tangible Assets** - Depreciation on tangible assets is provided on the straight-line method over the useful life of the assets as prescribed in the Schedule II to the Companies Act 2013 except of the following assets:

Client Computer - 5 years\*

**Intangible assets** are amortised over their respective individual estimated useful lives on a straight line basis, commencing from the date assets is available for use to the company.

Computer Software - 6 Years\*

Web Properties - 10 Years\*

(\*Note: for this based on internal assessment and independent technical evaluation carried out by external valuer, the management believes that the useful life as given above best represents the period over which management expects to use the assets.)

## 2.5 Impairment

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged to Profit & Loss Statement in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimated recoverable amount.

## 2.6 Foreign Currency Transactions

i) Initial Recognition Investments in foreign entities are recorded at the exchange rate prevailing on the date of making the investment. Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction.

ii) Conversion Monetary assets and liabilities denominated in foreign currencies, as at the balance sheet date, not covered by forward exchange contracts, are translated at year end rates.

iii) Exchange Differences Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in the previous financial statements, are recognized as income or expense in the year in which they arise. The exchange difference on foreign currency denominated long term borrowings relating to the acquisition of depreciable capital assets are adjusted in the carrying cost of such assets for current year. The Company has opted for voluntary exemption given in Ind AS-101, which allows first time adopter to continue its Indian GAAP policy for accounting of exchange difference arising

on translation of long term foreign currency monetary items recognized in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period.

## **2.7 Income Taxes**

Tax expense comprises of current tax & deferred tax. Income taxes are accrued in the same period that the related revenue and expenses arise. A provision is made for income tax, based on the tax liability computed after considering tax allowances and exemptions. Minimum Alternate Tax(MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of tax credit against future income tax liability, is recognized as an asset in the Balance Sheet if there is convincing evidence that the Company will pay normal tax after the tax holiday period and the resultant asset can be measured reliably.

The differences that result between the profit considered for income taxes and the profit as per the financial statements are identified, and thereafter a deferred tax asset or liability is recorded for timing differences, namely the differences that originate in one accounting period and reverse in another, based on the tax effect of the aggregate amount of timing difference. Deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax asset can be realized. Deferred tax assets, other than in situations of unabsorbed depreciation and carried forward business losses, are recognized only if there is reasonable certainty that they will be realized. Deferred tax assets are reviewed for the appropriateness of their respective carrying values at each reporting date. Deferred tax assets and liabilities have been offset wherever the Company has a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority.

## **2.8 Investments**

Investments are classified into current and long term investments. Long Term Investments are stated at cost and provision for diminution in value is made if decline is other than temporary in the opinion of the management. Current Investments are valued at cost and provision is made for decline in market value, if any

## **2.9 Provisions & Contingent Liabilities**

A provision is recognized if, as a result of a past event, the Company has a present legal obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as a contingent liability.

A disclosure for a contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

The company has adopted the following accounting policy for making provision in respect of income-tax cases under appeal:

“In respect of disputed income-tax demand, where the company is in appeal, provision for tax is made when the matter is finally decided.”

## **2.10 Revenue Recognition**

- i) Revenue from product sales is stated exclusive of returns, inter-division transfers, sales tax but includes excise duty.
- ii) Dividend income is recognized as and when the right to receive is established.
- iii) Export benefits and other benefits are accounted for on accrual basis. Export entitlements are recognized as reduction from material consumption when the right to receive credit is established in respect of the exports made and when there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

## **2.11 Other Income**

Other income is comprised primarily of interest income, dividend income and profit/ loss on sale of investment/ fixed assets. Dividend income is recognized when the right to receive payment is established.

## **2.12 Earning Per Share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares

**Note 3**

**Property, Plant & Equipment For the Financial Year 2018-19**

(Amount in '000)

Particulars	Gross Block			Depreciation				Net Block	
	As On April 01,2018	Additions	Deductions	As On March 31,2019	Current Year	Written Off	Transfer	As On March 31, 2019	As On March 31, 2018
<b>(a) Land &amp; Building</b>									
Freehold Land	56406	-	-	56406	-	-	-	56406	56406
Building	14018	-	175	13842	-	-	-	13842	14018
<b>Total</b>	<b>70424</b>	<b>-</b>	<b>175</b>	<b>70248</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>70248</b>	<b>70424</b>
<b>(b) Tangible Assets</b>									
Furniture & Fixtures	2310	-	-	2310	213	-	-	577	790
Computer	2784	-	-	2784	68	-	-	162	231
Generator	727	-	-	727	-	-	-	36	36
Air Conditioner	604	-	-	604	12	-	-	55	68
Office Equipment	680	-	-	680	45	-	-	75	119
Vehicles	5836	-	-	5836	758	-	-	659	1416
<b>Total</b>	<b>12941</b>	<b>-</b>	<b>0</b>	<b>12941</b>	<b>1096</b>	<b>-</b>	<b>0</b>	<b>1564</b>	<b>2660</b>
<b>(I) Property, Plant and Equipment (a+b)</b>	<b>83365</b>	<b>0</b>	<b>175</b>	<b>83189</b>	<b>1096</b>	<b>0</b>	<b>0</b>	<b>71812</b>	<b>73084</b>
<b>Note 3 -</b>									
<b>(II) Other Intangible Assets</b>									
Computer Software	749	-	-	749	98	-	-	130	229
Web Properties	8909	-	-	8909	-	-	-	445	445
<b>Total</b>	<b>9658</b>	<b>-</b>	<b>-</b>	<b>9658</b>	<b>98</b>	<b>-</b>	<b>-</b>	<b>575</b>	<b>674</b>
<b>(II) Intangible Assets under Development</b>									
	17314	-	-	17314	-	-	-	17314	17314
<b>GRAND TOTAL</b>	<b>110337</b>	<b>0</b>	<b>175</b>	<b>110161</b>	<b>1194</b>	<b>-</b>	<b>0</b>	<b>89701</b>	<b>91072</b>

**Note 3**

**Property, Plant & Equipment For the Financial Year 2017-18**

(Amount in '000)

Particulars	Gross Block			Depreciation				Net Block	
	As On April 01,2017	Additions	Deductions	As On March 31,2018	Current Year	Written Off	Transfer	As On March 31, 2018	As On March 31, 2017
<b>(a) Land &amp; Building</b>									
Commercial Land Building	24891 14018	31514 -	- -	56406 14018	- -	- -	- -	56406 14018	24891 14018
<b>Total</b>	<b>38909</b>	<b>31514</b>	<b>-</b>	<b>70424</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>70424</b>	<b>38909</b>
<b>(b) Tangible Assets</b>									
Furniture & Fixtures	2310	-	-	2310	213	-	-	790	1004
Computer	2784	-	-	2784	67	-	-	231	298
Generator	727	-	-	727	-	-	-	36	36
Air Conditioner	604	-	-	604	12	-	-	68	80
Office Equipment	680	-	-	680	45	-	-	119	165
Vehicles	6437	-	602	5836	758	-	602	1416	2174
<b>Total</b>	<b>13542</b>	<b>-</b>	<b>602</b>	<b>12941</b>	<b>1095</b>	<b>-</b>	<b>602</b>	<b>2660</b>	<b>3757</b>
<b>(I) Property, Plant and Equipment (a+b)</b>	<b>52450</b>	<b>31514</b>	<b>602</b>	<b>83365</b>	<b>1095</b>	<b>0</b>	<b>602</b>	<b>73084</b>	<b>42666</b>
<b>(II) Other Intangible Assets</b>									
Computer Software	749	-	-	749	98	-	-	229	326
Web Properties	8909	-	-	8909	1051	-	-	445	1496
<b>Total</b>	<b>9658</b>	<b>-</b>	<b>-</b>	<b>9658</b>	<b>1149</b>	<b>-</b>	<b>-</b>	<b>674</b>	<b>1822</b>
<b>(II) Intangible Assets under Development</b>									
	16228	1086	-	17314	-	-	-	17314	16228
<b>GRAND TOTAL</b>	<b>78336</b>	<b>32601</b>	<b>602</b>	<b>110337</b>	<b>2244</b>	<b>-</b>	<b>602</b>	<b>91072</b>	<b>60716</b>

**Note 4****Non-Current Investments**

Particulars	Market Value per Share		As At March 31,2019		As At March 31,2018	
	As At March 31, 2019	As At March 31, 2018				
				('000)		('000)
A. Trade Investments						
B. Other Investments (At Cost)			Qty.	Value	Qty.	Value
a) Investment in Equity shares (Quoted)						
Himalyan Financial Services Ltd.	10.00	10.00	281600	2816	281600	2816
Infosys Limited	0.00	1134.40	0	0	400	353
Reliance Industries	0.00	882.80	0	0	140	62
State Bank of India	0.00	250.10	0	0	630	143
Tata Consultancy Services Ltd.	0.00	2460.50	0	0	90	222
Bandhan Bank Ltd	0	0	20	8	0	0
Larsen & Toubro Ltd	0	0	80	104	0	0
Mindtree Limited	0	0	35	33	0	0
Wipro Limited	0	0	200	52	0	0
Yes Bank Limited	0	0	880	161	0	0
<b>Total (I)</b>				<b>3174</b>		<b>3596</b>
b) Investment in Equity shares (Unquoted)						
Dynamic Petro Products Limited	10	10	262000	2620	262000	2620
Basel Investments Limited	10	10	380000	3800	380000	3800
b) Investment in Subsidiary Companies (Unquoted)						
Megrisoft Limited (UK)			100	10	100	10
<b>Total (II)</b>				<b>6430</b>		<b>6430</b>
c) Investment in Mutual Fund (Quoted)						
<b>Mutual Funds</b>						
Birla sun Life manufacturing Equity Fund -Regular Growth				-		200
Franklin India Prima Plus -Growth				-		215
Franklin India Short Term Income Plan -Retail Plan Growth				-		300
HDFC Balanced Equity Fund - Growth				-		88
L&T Business Cycles Fund Growth				-		125
SBI Banking and Financial Services Fund				-		54
Franklin India Smaller Companies Fund -Growth				-		66
Axis Assets Managment Company Ltd				800		-
ICICI Prudential liquid fund- growth				200		-
Kotak liquid scheme- growth				1000		-
<b>Total (III)</b>				<b>2000</b>		<b>1048</b>
<b>Total(I+II+III)</b>				<b>11604</b>		<b>11074</b>

**Note 5****Deferred Tax Assets (Net)**

Particulars	As At March 31, 2019	As At March 31, 2018
	('000)	('000)
Opening Balance	360	195
Add: Deferred Tax Assets on Depreciation	117	165
Less: Deferred Tax Liabilities on Depreciation	-	-
	<b>477</b>	<b>360</b>

**Note 6****Other Non-Current Assets**

Particulars	As At March 31,2019	As At March 31,2018
	('000)	('000)
Capital Advances (Against Land & Building)	21483	21483
Other Loans and Advances	14264	15337
Deffered revenue Expenditure	324	378
	<b>36071</b>	<b>37198</b>



**Note 7****Trade Receivables**

Particulars	As At March 31,2019	As At March 31,2018
	<b>('000)</b>	<b>('000)</b>
Trade receivable outstanding for a period exceeding six months:-		
Unsecured		
Considered good	-	-
Considered doubtful	-	-
Other Debts:-		
Unsecured	-	-
Considered good	2824	3736
Considered doubtful	-	-
	<b>2824</b>	<b>3736</b>

**Note 8****Cash & Cash Equivalents**

Particulars	As At March 31,2019	As At March 31,2018
	<b>('000)</b>	<b>('000)</b>
In Current Account	1046	739
Cash in hand	23	47
	<b>1069</b>	<b>786</b>

**Note 9****Bank balance other then (8) above**

Particulars	As At March 31,2019	As At March 31,2018
	<b>('000)</b>	<b>('000)</b>
<u>Balances with bank:-</u>		
In Fixed Deposit	48922	42819
	<b>48922</b>	<b>42819</b>

**Note 10****Other Current Assets**

Particulars	As At March 31,2019	As At March 31,2018
	<b>('000)</b>	<b>('000)</b>
Advances with suppliers & others	1821	1124
Other Advances	157	157
Advance Tax	661	526
TDS Recoverable	314	259
Other Current Assets	158	626
	<b>3111</b>	<b>2692</b>

**Note 11****Share Capital**

Particulars	As At March 31, 2019	As At March 31, 2018
	(‘000)	(‘000)
<b>Authorised</b>		
3300000 Equity Shares of Rs. 10/- each	33000	33000
	33000	33000
<b>Issued &amp; subscribed</b>		
3140700 equity shares of Rs. 10/- each fully paid	31407	31407
	31407	31407
<b>Issued, Subscribed &amp; Paid up</b>		
3140700 equity shares of Rs. 10/- each fully paid	31407	31407
	<b>31407</b>	<b>31407</b>

**a. Reconciliation of Shares outstanding at the beginning and at the end of the reporting year**

Particulars	As At March 31, 2019	As At March 31, 2018
	(‘000)	(‘000)
<b>EQUITY SHARES</b>		
At the beginning of the year	31407	31407
Add: Issued during the year	-	-
<b>Outstanding at the end of the year</b>	<b>31407</b>	<b>31407</b>

**b. Terms/Rights attached to equity shares**

The company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company in proportion to their shareholding.

**c. Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceeding the reporting date:-**

Particulars	As At March 31, 2019	As At March 31, 2018	As At March 31, 2017	As At March 31, 2016	As At March 31, 2015
	(‘000)	(‘000)	(‘000)	(‘000)	(‘000)
Equity Shares allotted as fully paid	-	-	-	-	-
Bonus shares by capitalisation of Securities Premium	-	-	-	-	-
	-	-	-	-	-

**d. Details of shareholders holding more than 5% shares in the company**

Particulars	As at March 31, 2019		As At March 31, 2018		As At April 1, 2017
	No. of Shares	% Holding	No. of Shares	% Holding	No. of Shares
Mohnesh Kohli	707000	22.51%	668500	21.29%	638000
Neena	391100	12.45%	391100	12.45%	391100
Basel Investment limited	307700	9.80%	307700	9.80%	307700
Mohnesh Kohli HUF	345850	11.01%	308350	9.82%	152850
Aprajita Kohli	162700	5.18%	151700	4.83%	151700
Austin Kohli	220200	7.01%	155200	4.94%	1000
	<b>2134550</b>	<b>67.96%</b>	<b>1982550</b>	<b>63.12%</b>	<b>1642350</b>

**Note 12****Trade Payables**

Particulars	As At March 31, 2019	As At March 31, 2018
	(‘000)	(‘000)
Trade Payables	-	178
	<b>0</b>	<b>178</b>

Based on information available with the Company, there are no dues to micro, small and medium enterprises, as defined in Micro, Small and Medium Enterprises Development Act, 2006 as on March 31, 2019.

**Note 13****Other Current Liabilities**

Particulars	As At March 31, 2019	As At March 31, 2018
	(‘000)	(‘000)
Audit Fees Payable	28	-
Contribution to Provident & Other Funds	1	-
Other Payables	341	185
	<b>370</b>	<b>185</b>

**Note 14****Provisions**

<b>Part</b>	<b>As At March 31, 2019</b>	<b>As At March 31, 2018</b>
	<b>('000)</b>	<b>('000)</b>
Provision for Income Tax	1330	1130
Provision for Employee Benefits	350	312
	<b>1680</b>	<b>1442</b>

**Note 15****Revenue From Operations**

<b>Particulars</b>	<b>As At March 31,2019</b>	<b>As At March 31,2018</b>
	<b>('000)</b>	<b>('000)</b>
<b><u>Information Technology Services</u></b>		
Income From IT Exports Of Services	18032	16042
	<b>18032</b>	<b>16042</b>

**Note 16****Other Income**

<b>Particulars</b>	<b>As At March 31,2019</b>	<b>As At March 31,2018</b>
	<b>('000)</b>	<b>('000)</b>
Interest on Fixed Deposits with Bank	3140	2585
Income from Investment (Dividend and Profits on Investments etc.)	963	58
Other Income	126	347
	<b>4229</b>	<b>2990</b>

**Note 17****Employee Benefit Expenses**

<b>Particulars</b>	<b>As At March 31,2019</b>	<b>As At March 31,2018</b>
	<b>('000)</b>	<b>('000)</b>
Salary & Wages (Including Director Remuneration see note no. 33)	3820	4172
Contribution to Provident & Other Funds	10	24
Staff Welfare Expenses	143	68
	<b>3973</b>	<b>4264</b>

**Note 18****Finance Cost**

<b>Particulars</b>	<b>As At March 31,2019</b>	<b>As At March 31,2018</b>
	<b>('000)</b>	<b>('000)</b>
Borrowings Cost	3	62
Foreign exchange Fluctuation	49	56
	<b>52</b>	<b>118</b>

**Note 19****Depreciation & Amortisation**

<b>Particulars</b>	<b>As At March 31,2019</b>	<b>As At March 31,2018</b>
	<b>(‘000)</b>	<b>(‘000)</b>
Depreciation & Amortization Expenses	1194	2244
	<b>1194</b>	<b>2244</b>

**Note 20****Other Expenses**

<b>Particulars</b>	<b>As At March 31,2019</b>	<b>As At March 31,2018</b>
	<b>(‘000)</b>	<b>(‘000)</b>
Advertisement & Marketing expenses	634	446
Bank Charges	56	64
Communication & Internet Expenses	236	316
Collection Charges	567	430
Insurance Expenses	82	90
IT Operating Expenses	7179	4376
Legal & Professional Expenses	827	438
Miscellaneous Expenses	501	199
Payment to auditors (refer Note 24.1 below)	28	25
Power Fuel & Water Charges	140	177
Printing & stationery	91	17
Rent Rates & Taxes	745	863
Repair & Maintenance Expenses	235	93
Travelling & conveyance expenses (Including Director Foreign travelling Expenses)	711	847
	<b>12032</b>	<b>8381</b>

**Note 20.1****Payment to Auditors**

<b>Particulars</b>	<b>As At March 31,2019</b>	<b>As At March 31,2018</b>
<b>Payment to auditor</b>	<b>(‘000)</b>	<b>(‘000)</b>
As Auditor-Statutory Audit	28	25
	<b>28</b>	<b>25</b>

**Note 21****Earning Per Share**

<b>Particulars</b>	<b>As At March 31,2019</b>	<b>As At March 31,2018</b>
<b>Earnings per share</b>	<b>(‘000)</b>	<b>(‘000)</b>
Basic		
Net profit / (loss) for the year from continuing operations attributable to the	3797	3060
Weighted average number of equity shares	3140700	3140700
Par value per share	10	10
Earnings per share from continuing operations - Basic	1.21	0.97
Diluted	1.21	0.97

## **Note 22**

### **Current Assets, Loans & Advances:**

In the opinion of the Board, current assets, loan and advances have a value at least equal to the amount shown in the balance sheet, if realized in the ordinary course of the business. The provisions for all known liabilities are made and not in excess of the amount considered reasonably necessary.

## **Note 23**

### **Impairment**

In the view of management no impairment conditions existed on 31st March, 2019. Hence, no provision is required in the accounts for the year under review.

## **Note 24**

### **Sitting Fees:**

No Sitting Fees has been paid to non-executive directors during the period under review.

## **Note 25**

### **Contingent Liabilities**

In view of accounting policies, Contingent Liability not provided for: Disputed Income Tax Demand against which company has gone into appeal in view of facts of the cases/ opinion obtained Rs. 1,57,31,452/-

During the year, MS Shoes East Limited (now known as Tomorrowland Technologies Exports Limited) has instituted a suit against the company for execution of ex-parte decree for an amount of Rs 85,16,928/- along with interest @18 % p a till date. The Company has taken suitable legal action in this regard.

## **Note 26**

### **Foreign Exchange Earnings**

The particulars regarding foreign exchange earnings during the year of Rs. 180.32 Lakhs only (Previous Year Rs. 160.42 Lakhs) and expenditure in foreign currency is Rs. 7.33 Lakhs only (Previous year 10.09 Lakhs).

## **Note 27**

### **Foreign Travelling Expenses**

Rs. 4.75 Lakhs was incurred on foreign travelling during the financial year under review as compared to Rs. 8.02 Lakhs during the preceding financial year. The entire amount was incurred on foreign travelling expenses of director.

## Note 28

### Auditor's Remuneration

Auditors remuneration for the financial year 2018-19 is Rs. 28000 (Previous Year Rs. 25000)

## Note 29

### Related Party Disclosures:

In accordance with the requirements of IND AS 24, on related party disclosures, name of the related party, related party relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during reporting period, are:

#### A) Disclosure of Related Parties and relationship between the parties.

Sr.No.	Name of Related Party	Relationship
1.	Mr. Mohnesh Kohli	Promoter, Director & Person having significant influence
2.	Mrs. Neena Kohli	Relative of person having significant influence
3.	Ms. Aprajita Kohli	
4.	Mr. Austin Kohli	
5.	Mr. Rajnesh Sharma (Whole Time Director)	Key Managerial Personnel
6.	Ms. Pratima Yadav (Company Secretary)	
7.	Mohnesh Kohli & Co.	Enterprise Over which controlling person have significant influence
8.	Mohnesh Kohli HUF	
9.	Megrisoft Limited (UK)	Subsidiary Company

**B) Details of transactions with related party for the year ended March 31, 2019 in the ordinary course of business:**

**(Rs. in Lakhs)**

<b>Sr No.</b>	<b>Nature of Relationship/ transaction</b>	<b>Person having Significant Influence &amp; their relatives</b>	<b>Key Managerial Personnel &amp; relatives</b>	<b>Enterprise over which controlling person have significant influence</b>	<b>Subsidiary Company</b>	<b>Total</b>
<b>1.</b>	<b>KMP Remuneration:</b> Mr. Rajnesh Sharma Ms. Pratima Yadav	- -	3.34 2.43	- -	- -	3.34 2.43
<b>2.</b>	<b>Rent paid:</b> Mohnesh Kohli Ms. Neena Kohli	2.40 3.60	- -	- -	- -	2.40 3.60
<b>3.</b>	<b>Reimbursement of expenses receivable</b>				20.19	20.19

**Note 30**

**Previous Year Figures Regrouping/Reclassification**

Previous year figures have been regrouped/reclassified to conform to the current year classification.

**As per the report of even date attached.**

**For Kapil Sandeep & Associates**  
**Chartered Accountants**  
**Firm Registration No. 0016244N**

**For and on the behalf of Board of Directors**

**(Kapil Sabharwal)**  
**Partner**  
**Membership No. 096858**

**Mohnesh Kohli**  
**(Director)**  
**DIN: 01784617**

**Rajnesh Sharma**  
**(Whole Time Director & CFO)**  
**DIN: 02528435**

**Place: Chandigarh**  
**Date: May 22, 2019**

## **Independent Auditors' Report**

To the Members of  
Megri Soft Limited

### **Report on the Consolidated Financial Statements**

#### **Opinion**

We have audited the accompanying consolidated financial statements of Megri Soft Limited (hereinafter referred to as “the Company”) and its subsidiary (the Company and its subsidiary together referred to as “the Group”) comprising the Consolidated Balance Sheet as at March 31, 2019, and the Consolidated Statement of Profit and Loss and Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information, which we have signed under reference to this report.

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give the information required by the Companies Act, 2013 (“Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at 31 March 2019, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

#### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Act. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

#### **Information other than the Consolidated Financial Statements and Auditors’ Report Thereon**

The Holding Company’s management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company’s annual report, but does not include the financial statements and our auditors’ report thereon. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done and audit report of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



## **Management's Responsibility for the Financial Statements**

The management and Board of Directors of the Company are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the act') with respect to the preparation and presentation of these financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid.

## **Auditors' Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements, that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's management and Board of Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on financial statements.

## **Report on Other Legal and Regulatory Requirements**

As required by section 143(3) of the Act, we report that:

We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss, and Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of accounts;

In our opinion, the aforesaid consolidated financial statements comply with the applicable Indian Accounting Standards specified under Section 133 of the Act;

On the basis of written representations received from the directors as on March 31, 2019, taken on record by the Board of Directors of the company and its subsidiary, none of the directors of the Group companies is disqualified as on March 31, 2019, from being appointed as a director in terms of Section 164(2) of the Act;

With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014.

- The Consolidated Financial Statements disclose the impact of pending litigation on the Consolidated Financial Position of the group
- The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise;
- There has been no occasion during the year under review to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise.

**Place: Chandigarh**

**Date: May 22, 2019**

**For Kapil Sandeep & Associates**  
**Chartered Accountants**  
**Firm Registration No. 0016244N**

**(Kapil Sabharwal)**  
**Partner**  
**Membership No. 096858**

## **“Annexure A” to the Independent Auditor’s Report**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of Megri Soft Limited (hereinafter referred to as ‘the Company’) and its subsidiary company which is incorporated outside India, as on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Board of Directors of the Company and its subsidiary company which is incorporated outside india, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the company and its subsidiary, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the company and its subsidiary company.

## **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## **Opinion**

In our opinion, the Company and its subsidiary company, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by Institute of Chartered Accountants of India (ICAI).

**Place: Chandigarh**  
**Date: May 22, 2019**

**For Kapil Sandeep & Associates**  
**Chartered Accountants**  
**Firm Registration No. 0016244N**

**(Kapil Sabharwal)**  
**Partner**  
**Membership No. 096858**

**MEGRI SOFT LIMITED**  
**CIN : L72200CH1992PLC011996**  
**Regd. Office : SCO 80, Sector 47D, Chandigarh -160047**  
**AUDITED CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019**

Amount in ("000)

S. No.	Particulars	Note	As At March 31,2019	As At March 31,2018
<b>A</b>	<b>ASSETS</b>			
<b>1</b>	<b>NON-CURRENT ASSETS</b>			
	Property, Plant and Equipment	3	71899	73198
	Other Intangible Assets	3	576	674
	Intangible Assets Under Development	3	18353	17314
	Financial Assets			
	(a) Non-Current Investments	4	11594	11065
	Deferred Tax Assets (Net)	5	476	359
	Other Non-Current Assets	6	34052	36513
	<b>Total Non-current Assets</b>		<b>136950</b>	<b>139123</b>
<b>2</b>	<b>CURRENT ASSETS</b>			
	Financial Assets			
	a) Trade Receivables	7	3763	3736
	b) Cash and Cash Equivalents	8	2867	2554
	c) Bank balance other then (b) above	9	48922	42819
	d) Other Current Assets	10	3192	2758
	<b>Total Current Assets</b>		<b>58744</b>	<b>51867</b>
	<b>Total Assets</b>		<b>195694</b>	<b>190990</b>
<b>B</b>	<b>EQUITY &amp; LIABILITIES</b>			
<b>1</b>	<b>SHAREHOLDERS' FUNDS</b>			
	(a) Equity Share Capital	11	31407	31407
	(b) Other Equity		161010	156987
<b>2</b>	<b>NON CURRENT LIABILITIES</b>			
	Financial Liabilities			
	(a) Long-Term Borrowings		-	-
	(b) Deferred Tax Liabilities (Net)		-	-
	<b>Total Non-current Liabilities</b>		<b>192417</b>	<b>188394</b>
<b>3</b>	<b>CURRENT LIABILITIES</b>			
	Financial Liabilities			
	(a) Trade payables	12	-	178
	(b) Other current liabilities	13	1185	490
	(c) Provisions	14	2092	1928
	<b>Total Current Liabilities</b>		<b>3277</b>	<b>2596</b>
	<b>Total Equity and Liabilities</b>		<b>195694</b>	<b>190990</b>

Significant Accounting Policies 1-2  
Notes forming integral part of Financial Statements 3-30

The accompanying notes form an intergral part of standalone financial statements  
As per our report of even date attached

**For Kapil Sandeep & Associates**  
**Chartered Accountants**  
**Firm Registration No. 0016244N**

**For and on behalf of Board Of Directors**

(Kapil Sabharwal)

**Partner**  
**Membership No. 096858**

**Mohnesh Kohli**  
**(Director)**

**DIN: 01784617**

**Rajnesh Sharma**  
**(Whole Time Director**  
**& CFO)**

**DIN: 02528435**

**Place: Chandigarh**  
**Date: May 22,2019**

**MEGRI SOFT LIMITED**

**CIN : L72200CH1992PLC011996**

**Regd. Office : SCO 80, Sector 47D, Chandigarh -160047**

**STATEMENT OF AUDITED CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019**

**(Amount in '000)**

<b>S. No.</b>	<b>Particulars</b>	<b>Note</b>	<b>As At March 31,2019</b>	<b>As At March 31,2018</b>
<b>I</b>	Revenue From Operations	<b>15</b>	24603	21095
	Other Income	<b>16</b>	4231	2990
	<b>Total Revenue</b>		<b>28834</b>	<b>24085</b>
	<b>EXPENSES</b>			
	a) Employees Benefit Expenses	<b>17</b>	7577	7711
	b) Finance Cost	<b>18</b>	52	118
	c) Depreciation & Amortization Expenses	<b>19</b>	1222	2263
	d) Other Expenses	<b>20</b>	14404	9397
<b>II</b>	<b>Total Expenses</b>		<b>23255</b>	<b>19489</b>
<b>III</b>	<b>Profit before exceptional items and tax from continuing operations (I-II)</b>		<b>5579</b>	<b>4596</b>
<b>IV</b>	Exceptional items- Prior Year Expenses		230	0
<b>V</b>	<b>Profit before tax (III-IV)</b>		<b>5349</b>	<b>4596</b>
<b>VI</b>	<b>Tax Expenses</b>			
	a) Current Tax		1443	1238
	b) Deferred Tax (Assets)		(117)	(165)
	<b>Total Tax Expenses</b>		<b>1326</b>	<b>1073</b>
<b>VII</b>	<b>Profit for the period (IX+XII)</b>		<b>4023</b>	<b>3523</b>
	<b>Other Comprehensive Income</b>		<b>0</b>	<b>0</b>
	<b>Total Comprehensive income</b>		<b>4023</b>	<b>3523</b>
	Paid-up Equity Share Capital (face value of Rs. 10 per equity share)		31407	31407
	<b>Earning per Equity share of Rs. 10/- each (Annualised) :</b>			
	1) Basic	<b>21</b>	1.28	1.12
	2) Diluted		1.28	1.12

Significant Accounting Policies

1-2

Notes forming integral part of Financial Statements

3-30

As per our report of even date attached

**For Kapil Sandeep & Associates**

**Chartered Accountants**

**Firm Registration No. 0016244N**

**For and on behalf of Board Of Directors**

**(Kapil Sabharwal)**

**Partner**

**Membership No. 096858**

**Mohnesh Kohli**

**(Director)**

**DIN: 01784617**

**Rajnesh Sharma**  
**(Whole Time Director & CFO)**

**DIN: 02528435**

**Place: Chandigarh**

**Date: May 22,2019**

**MEGRI SOFT LIMITED**  
**CIN : L72200CH1992PLC011996**  
**Regd. Office : SCO 80, Sector 47D, Chandigarh -160047**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019**

(Amount in '000)

Particulars	Year ended March 31, 2019		Year ended March 31, 2018	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
<b>Net Profit Before Tax</b>		5579		4596
Adjustments for:				
Interest Expenses	4		62	
Depreciation	1222		2263	
Profit on sale of Investments	(935)		(57)	
Interest on FDR's	(3140)		(2586)	
Dividend	(30)	(2879)	(26)	(344)
<b>Operating Profit before Working Capital Changes</b>		<b>2700</b>		<b>4252</b>
<b>Adjustments for:</b>				
Increase/(Decrease) in Short Term Borrowings	0		0	
Increase/(Decrease) in Trade Payables	(178)		-	
Increase/(Decrease) in Other Current Liabilities	695		(324)	
Increase/(Decrease) in Provisions	164		(162)	
(Increase)/Decrease in Trade Receivables	(28)		1302	
(Increase)/Decrease in Short Term Loans & Advances	0		0	
(Increase)/Decrease in Other Current Assets	(434)		3993	
(Increase)/Decrease in Other Non Current Assets	2461	2680	14187	18996
<b>Cash generated from operations</b>		<b>5380</b>		<b>23248</b>
Income Tax		<b>(1443)</b>		<b>(1238)</b>
<b>Net Cash flow from Operating activities</b>		<b>3937</b>		<b>22010</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
(Increase) /Decrease in Loang Term Loans & Advances				
(Purchase) of Fixed Assets	(1039)		(32733)	
Sale of Fixed Assets	175		25	
(Increase) /Decrease in FDR	(6102)		5097	
(Increase) /Decrease in Investment	(529)		4413	
Interest on FDR's	3140		2586	
Dividend	30		58	
Sale of Investment	935		0	
Prior Year Expenses	(230)		0	
<b>Net Cash used in Investing activities</b>		<b>(3620)</b>		<b>(20554)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
Interest on overdraft facility	(4)		(62)	
<b>Net Cash used in financing activities</b>		<b>(4)</b>		<b>(62)</b>
Net increase in cash & Cash Equivalents		313		1394
Cash and Cash equivalents (Opening Balance)		2554		1160
Cash and Cash equivalents (Closing Balance)		2867		2554
<b>Net Decrease/(Increase) in Cash and Cash Equivalents</b>		<b>(313)</b>		<b>(1394)</b>

Notes:

- Figures in brackets indicate cash outflow.
- Previous year's figures have been regrouped or reclassified wherever necessary.

**For Kapil Sandeep & Associates**  
**Chartered Accountants**  
**Firm Registration No. 0016244N**

**For and on behalf of Board Of Directors**

**(Kapil Sabharwal)**  
**Partner**  
**Membership No. 096858**

**Mohnesh Kohli**  
**Director**  
**DIN: 01784617**

**Rajnesh Sharma**  
**(Whole Time Director & CFO)**  
**DIN: 02528435**

**Place: Chandigarh**  
**Date: May 22,2019**

**MEGRI SOFT LIMITED**  
**CIN : L72200CH1992PLC011996**  
**Regd. Office : SCO 80, Sector 47D, Chandigarh -160047**  
**STATEMENT OF CHANGE IN EQUITY ( F.Y.2018-19)**

(Amount in '000)

Particulars	Equity Share Capital	Other Equity			Total equity attributable to equity holders
		Security Premium	General Reserves	Retained Earnings	
<b>Balance as at April 1, 2018</b>	<b>31407</b>		<b>5341</b>	<b>151646</b>	<b>188394</b>
<b>Changes in equity for the year ended March 31, 2019</b>					-
Profit for the period				4023	4023
Transfer to General Reserve			-	-	-
Dividends (including corporate dividend tax)					-
<b>Balance as at March 31, 2019</b>	<b>31407</b>	<b>-</b>	<b>5341</b>	<b>155669</b>	<b>192417</b>
<b>Statement of Change in Equity (FY 2017-18)</b>					
<b>Balance as at April 1, 2017</b>	<b>31407</b>	<b>-</b>	<b>4989</b>	<b>148476</b>	<b>184872</b>
<b>Changes in equity for the year ended March 31, 2018</b>	<b>-</b>				<b>-</b>
Profit for the period	-			3523	3523
Transfer to General Reserve			352	(352)	-
Dividends (including corporate dividend tax)	-		-		-
<b>Balance as at March 31, 2018</b>	<b>31407</b>	<b>-</b>	<b>5341</b>	<b>151646</b>	<b>188394</b>

**For Kapil Sandeep & Associates**  
**Chartered Accountants**  
**Firm Registration No. 0016244N**

**For and on behalf of Board Of Directors**

**(Kapil Sabharwal)**  
**Partner**  
**Membership No. 096858**

**Mohnesh Kohli**      **Rajnesh Sharma**  
**(Director)**              **(Whole Time Director & CFO)**  
**DIN: 01784617**      **DIN: 02528435**

**Place: Chandigarh**  
**Date: May 22,2019**



## **1.COMPANY OVERVIEW:**

**Megri Soft Limited** is a public and profitable company and is among leading information technology consulting, services and Web Solutions organization that envisioned and pioneered the adoption of the flexible global business practices that today enable companies to operate more efficiently and produce more value. Megri Soft achieved this by creating and perfecting the global expertise and delivering high quality, high value services and products in IT consulting and Web Development which have helped reshape business and deliver competitive advantage. Most of Megri Soft's customers reward the company's reliability, passion, creativity and unique ability to handle the broadest range of their Web Services needs by continually extending and deepening their partnerships with Megrisoft.

The Company is a public Limited Company Incorporated and domiciled in India and has its registered office at Chandigarh, India. The company has its listing on BSE Limited and Metropolitan Stock Exchange of India Limited.

## **2.SIGNIFICANT ACCOUNTING POLICIES**

### **2.1 Basis of Preparation of Financial Statements**

These financial statements have been prepared to comply with the Indian Accounting Standards (Ind AS). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. The financial statements are prepared on accrual basis under the historical cost convention. The financial statements are presented in Indian rupees rounded off to the nearest thousand. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

### **2.2 Basis of Consolidation**

The consolidated financial statements comprise the financial statements of Megrisoft Limited and its subsidiary in UK. The company is following all has consolidated its accounts as per IND AS 110 (Consolidated Financial Statements)

### **2.3 Use of Estimates**

The preparation of financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements

### **2.4 Fixed Assets**

#### **a. Property, Plant & Equipment (Tangible Assets)**

Property, Plant & Equipment have been stated at cost, inclusive of attributable costs of bringing the assets to their working condition for their intended use, less depreciation and impairment loss, if any. Depreciation on assets is provided on a straight line method in the manner prescribed in Schedule II to the Companies Act, 2013

## **b. Intangible Assets**

Intangible assets are stated at cost less accumulated amortization and impairment, wherever applicable. Intangible assets are amortized over their respective individual estimated useful lives on a straight line basis, from the date they are available for use. The estimated useful life of an identifiable asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end. The research costs are expensed as incurred. The development costs, which can be capitalized, include the cost of material, direct labour and overhead costs that are directly attributable to preparing the asset for its intended use.

- c. Subsequent expenditure** related to an item of fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.
- d. Gain/losses** arising from disposal of fixed assets are recognised in the Statement of Profit and Loss.

## **2.5 Depreciation & Amortization**

**Tangible Assets** - Depreciation on tangible assets is provided on the straight-line method over the useful life of the assets as prescribed in the Schedule II to the Companies Act 2013 except in respect of the following assets:

Client Computer - 5 years\*

**Intangible assets** are amortised over their respective individual estimated useful lives on a straight line basis, commencing from the date the asset is available for use to the company.

Computer Software - 6 Years\*

Web Properties - 10 Years\*

(\*Note: for this based on internal assessment and independent technical evaluation carried out by external valuer, the management believes that the useful life as given above best represents the period over which management expects to use the assets.)

## **2.6 Impairment**

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged to Profit & Loss Statement in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimated recoverable amount.

## **2.7 Foreign Currency Transactions**

i) Initial Recognition Investments in foreign entities are recorded at the exchange rate prevailing on the date of making the investment. Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction.

ii) Conversion Monetary assets and liabilities denominated in foreign currencies, as at the balance sheet date, not covered by forward exchange contracts, are translated at year end rates.

iii) Exchange Differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in the previous financial statements, are recognized as income or expense in the year in which they arise. The exchange difference on foreign currency denominated long term borrowings relating to the

acquisition of depreciable capital assets are adjusted in the carrying cost of such assets for current year. The Company has opted for voluntary exemption given in Ind AS-101, which allows first time adopter to continue its Indian GAAP policy for accounting of exchange differences arising on translation of long term foreign currency monetary items recognized in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period.

## **2.8 Income Taxes**

Tax expense comprises of current tax & deferred tax. Income taxes are accrued in the same period that the related revenue and expenses arise. A provision is made for income tax, based on the tax liability computed after considering tax allowances and exemptions. Minimum Alternate Tax(MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of tax credit against future income tax liability, is recognized as an asset in the Balance Sheet if there is convincing evidence that the Company will pay normal tax after the tax holiday period and the resultant asset can be measured reliably.

The differences that result between the profit considered for income taxes and the profit as per the financial statements are identified, and thereafter a deferred tax asset or liability is recorded for timing differences, namely the differences that originate in one accounting period and reverse in another, based on the tax effect of the aggregate amount of timing difference. Deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax asset can be realized. Deferred tax assets, other than in situations of unabsorbed depreciation and carried forward business losses, are recognized only if there is reasonable certainty that they will be realized. Deferred tax assets are reviewed for the appropriateness of their respective carrying values at each reporting date. Deferred tax assets and liabilities have been offset wherever the Company has a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority.

## **2.9 Investments**

Investments are classified into current and long term investments. Long Term Investments are stated at cost and provision for diminution in value is made if decline is other than temporary in the opinion of the management. Current Investments are valued at cost and provision is made for decline in market value, if any.

## **2.10 Provisions & Contingent Liabilities**

A provision is recognized if, as a result of a past event, the Company has a present legal obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as a contingent liability.

A disclosure for a contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

The company has adopted the following accounting policy for making provision in respect of income-tax cases under appeal:

“In respect of disputed income-tax demand, where the company is in appeal, provision for tax is made when the matter is finally decided.”

### **2.11 Revenue Recognition**

- i) Revenue from product sales is stated exclusive of returns, inter-division transfers, sales tax but includes excise duty.
- ii) Dividend income is recognized as and when the right to receive is established.
- iii) Export benefits and other benefits are accounted for on accrual basis. Export entitlements are recognized as reduction from material consumption when the right to receive credit is established in respect of the exports made and when there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

### **2.12 Other Income**

Other income is comprised primarily of interest income, dividend income and profit/ loss on sale of investment/ fixed assets. Dividend income is recognized when the right to receive payment is established.

### **2.13 Earning Per Share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

**Note 3**

**Property, Plant & Equipment For the Financial Year 2018-19**

(Amount in '000)

Particulars	Gross Block				Depreciation				Net Block	
	As On April 01,2018	Additions	Deductions	As On March 31,2019	As On March 31, 2018	Current Year	Written Off	Transfer	As On March 31, 2019	As On March 31, 2018
(a)Land & Building										
Commercial Land	56406	-	-	56406	-	-	-	-	56406	56406
Building	14018	-	175	13843	-	-	-	-	13843	14018
Total	70424	-	175	70249	-	-	-	-	70249	70424
(b)Tangible Assets										
Furniture & Fixtures	2310	-	-	2310	1519	213	-	-	577	790
Computer	2917	-	-	2917	2572	96	-	-	249	344
Generator	727	-	-	727	690	-	-	-	36	36
Air Conditioner	604	-	-	604	537	12	-	-	55	68
Office Equipment	680	-	-	680	560	45	-	-	75	120
Vehicles	5835	-	-	5835	4419	758	-	-	658	1416
Total	13073	-	0	13073	10298	1124	-	0	1650	2774
(I) Property, Plant and Equipment (a+b)	83497	0	175	83322	10298	1124	0	0	71899	73198
(II) Other Intangible Assets										
Computer Software	749	-	-	749	520	98	-	-	131	229
Web Properties	8909	-	-	8909	8464	-	-	-	445	445
Total	9658	-	-	9658	8984	98	-	-	576	674
(II) Intangible Assets under Development										
	17314	1039	-	18353	-	-	-	-	18353	17314
GRAND TOTAL	110469	1039	175	111333	19282	1222	-	0	90828	91186

**Note 3**

**Property, Plant & Equipment For the Financial Year 2017-18**

(Amount in '000)

Particulars	Gross Block			Depreciation				Net Block	
	As On April 01,2017	Additions	Deductions	As On March 31,2018	Current Year	Written Off	Transfer	As On March 31, 2018	As On March 31, 2017
<b>(a) Land &amp; Building</b>									
Commercial Land	24891	31514	-	56406	-	-	-	56406	24891
Building	14018	-	-	14018	-	-	-	14018	14018
<b>Total</b>	<b>38909</b>	<b>31514</b>	<b>-</b>	<b>70424</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>70424</b>	<b>38909</b>
<b>(b) Tangible Assets</b>									
Furniture & Fixtures	2310	-	-	2310	213	-	-	790	1004
Computer	2784	133	-	2917	86	-	-	344	298
Generator	727	-	-	727	-	-	-	36	36
Air Conditioner	604	-	-	604	12	-	-	68	80
Office Equipment	680	-	-	680	45	-	-	120	165
Vehicles	6437	-	602	5835	758	-	602	1416	2174
<b>Total</b>	<b>13542</b>	<b>133</b>	<b>602</b>	<b>13073</b>	<b>1114</b>	<b>-</b>	<b>602</b>	<b>2774</b>	<b>3757</b>
<b>(I) Property, Plant and Equipment (a+b)</b>	<b>52451</b>	<b>31647</b>	<b>602</b>	<b>83497</b>	<b>1114</b>	<b>0</b>	<b>602</b>	<b>73198</b>	<b>42666</b>
<b>(II) Other Intangible Assets</b>									
Computer Software	749	-	-	749	98	-	-	229	326
Web Properties	8909	-	-	8909	1051	-	-	445	1496
<b>Total</b>	<b>9658</b>	<b>-</b>	<b>-</b>	<b>9658</b>	<b>1149</b>	<b>-</b>	<b>-</b>	<b>674</b>	<b>1822</b>
<b>(II) Intangible Assets under Development</b>									
	16228	1086	-	17314	-	-	-	17314	16228
<b>GRAND TOTAL</b>	<b>78337</b>	<b>32733</b>	<b>602</b>	<b>110469</b>	<b>2263</b>	<b>-</b>	<b>602</b>	<b>91186</b>	<b>60716</b>

**Note 4****Non-Current Investments**

Particulars	Market Value per Share		As At March 31, 2019		As At March 31, 2018	
	As At March 31, 2019	As At March 31, 2018				
			('000)		('000)	
A. Trade Investments						
B. Other Investments (At Cost)			Qty.	Value	Qty.	Value
a) Investment in Equity shares (Quoted)						
Himalyan Financial Services Ltd.	0.00	10.00	281600	2816	281600	2816
Infosys Limited	0.00	1134.40	0	0	400	353
NTPC Limited	0.00	169.70	0	0	0	0
Reliance Industries	0.00	882.80	0	0	140	62
State Bank of India	0.00	250.10	0	0	630	143
Sun Pharmaceuticals Industries	0.00	495.40	0	0	0	0
Axis Bank Ltd.	0.00	509.40	0	0	0	0
Tata Consultancy Services Ltd.	0.00	2460.50	0	0	90	222
Coal India Limited	0.00	283.50	0	0	0	0
Bandhan Bank Ltd	0	0	20	8	0	0
Larsen & Toubro ltd	0	0	80	104	0	0
Mindtree Limited	0	0	35	33	0	0
Wipro Limited	0	0	200	52	0	0
Yes Bank Limited	0	0	880	161	0	0
<b>Total (I)</b>				3174		3596
b) Investment in Equity shares (Unquoted)						
Dynamic Petro Products Limited	10	10	262000	2620	262000	2620
Basel Investments Limited	10	10	380000	3800	380000	3800
Kohli & Kohli Financial Consultants Limited			-	-	-	-
b) Investment in Subsidiary Companies (Unquoted)						
Megrisoft Limited (UK)						
<b>Total (II)</b>				6420		6420
c) Investment in Mutual Fund (Quoted)						
<b>Mutual Funds</b>						
Birla sun Life manufacturing Equity Fund -Regular Growth				0		200
Franklin India Prima Plus -Growth				0		215
Franklin India Short Term Income Plan -Retail Plan Growth				0		300
HDFC Balanced Equity Fund - Growth				0		88
L&T Business Cycles Fund Growth				0		125
SBI Banking and Financial Services Fund				0		54
Franklin India Smaller Companies Fund -Growth				0		66
Axis Assets Managment Company ltd				800		0
ICICI Prudential liquid fund- growth				200		0
Kotak liquid scheme- growth				1000		0
<b>Total (III)</b>				2000		1048
<b>Total(I+II+III)</b>				<b>11594</b>		<b>11065</b>

**Note 5****Deferred Tax Assets (Net)**

Particulars	As At March 31, 2019	As At March 31, 2018
	('000)	('000)
Opening Balance	359	195
Add: Deferred Tax Assets on Depreciation	117	164
Less: Deferred Tax Liabilities on Depreciation	-	-
	<b>476</b>	<b>359</b>

**Note 6****Other Non-Current Assets**

Particulars	As At March 31, 2019	As At March 31, 2018
	('000)	('000)
Capital Advances (Against Land & Building)	21483	21483
Other Loans and Advances	12245	13318
Deffered revenue Expenditure	324	1712
	<b>34052</b>	<b>36513</b>

**Note 7****Trade Receivables**

<b>Particulars</b>	<b>As At March 31,2019</b>	<b>As At March 31,2018</b>
	<b>(‘000)</b>	<b>(‘000)</b>
Trade receivable outstanding for a period exceeding six months:-		
Unsecured		
Considered good	3763	3736
Considered doubtful	-	-
	<b>3763</b>	<b>3736</b>

**Note 8****Cash & Cash Equivalents**

<b>Particulars</b>	<b>As At March 31,2019</b>	<b>As At March 31,2018</b>
	<b>(‘000)</b>	<b>(‘000)</b>
Cash in hand	49	52
In Current Account	2818	2502
	<b>2867</b>	<b>2554</b>

**Note 9****Bank balance other then (8) above**

<b>Particulars</b>	<b>As At March 31,2019</b>	<b>As At March 31,2018</b>
	<b>(‘000)</b>	<b>(‘000)</b>
<u>Balances with bank:-</u>		
In Fixed Deposit	48922	42819
	<b>48922</b>	<b>42819</b>

**Note 10****Other Current Assets**

<b>Particulars</b>	<b>As At March 31,2019</b>	<b>As At March 31,2018</b>
	<b>(‘000)</b>	<b>(‘000)</b>
Advances with Suppliers & Others	1902	1124
Other Advances	157	223
Advance Tax	661	526
TDS Recoverable	314	259
Other Current Assets	158	626
	<b>3192</b>	<b>2758</b>



**Note 11****Share Capital**

Particulars	As At March 31, 2019	As At March 31, 2018
<b>Authorised</b>	<b>(‘000)</b>	<b>(‘000)</b>
3300000 Equity Shares of Rs. 10/- each	33000	33000
	33000	33000
<b>Issued &amp; subscribed</b>		
3140700 equity shares of Rs. 10/- each fully paid	31407	31407
	<b>31407</b>	<b>31407</b>
<b>Issued, Subscribed &amp; Paid up</b>		
3140700 equity shares of Rs. 10/- each fully paid	31407	31407
	<b>31407</b>	<b>31407</b>

**a. Reconciliation of Shares outstanding at the beginning and at the end of the reporting year**

Particulars	As At March 31, 2019	As At March 31, 2018
<b>EQUITY SHARES</b>	<b>(‘000)</b>	<b>(‘000)</b>
At the beginning of the year	31407	31407
Add: Issued during the year	-	-
<b>Outstanding at the end of the year</b>	<b>31407</b>	<b>31407</b>

**b. Terms/Rights attached to equity shares**

The company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company in proportion to their shareholding.

**c. Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceeding the reporting date:-**

Particulars	As At March 31, 2019	As At March 31, 2018	As At March 31, 2017	As At March 31, 2016	As At March 31, 2015
	<b>(‘000)</b>	<b>(‘000)</b>	<b>(‘000)</b>	<b>(‘000)</b>	<b>(‘000)</b>
Equity Shares allotted as fully paid Bonus shares by capitalisation of Securities Premium	-	-	-	-	-
	-	-	-	-	-

**d. Details of shareholders holding more than 5% shares in the company**

Particulars	As at March 31, 2019		As At March 31, 2018		As At April 1, 2017
	No. of Shares	% Holding	No. of Shares	% Holding	No. of Shares
Mohnesh Kohli	668500	21.29%	668500	21.29%	638000
Neena	391100	12.45%	391100	12.45%	391100
Basel Investment limited	307700	9.80%	307700	9.80%	307700
Mohnesh Kohli HUF	308350	9.82%	308350	9.82%	152850
Aprajita Kohli	162700	5.18%	151700	4.83%	151700
Austin Kohli	220200	7.01%	155200	4.94%	1000
	<b>2058550</b>	<b>65.54%</b>	<b>1982550</b>	<b>63.12%</b>	<b>1642350</b>

**Note 12****Trade Payables**

Particulars	As At March 31, 2019	As At March 31, 2018
	<b>(‘000)</b>	<b>(‘000)</b>
Trade Payables	0	178
	<b>0</b>	<b>178</b>

Based on information available with the Company, there are no dues to micro, small and medium enterprises, as defined in Micro, Small and Medium Enterprises Development Act, 2006 as on March 31, 2019.

**Note 13****Other Current Liabilities**

Particulars	As At March 31, 2019	As At March 31, 2018
	<b>(‘000)</b>	<b>(‘000)</b>
Audit Fees Payable	28	-
Contribution to Provident & Other Funds	435	-
Other payables	722	490
	<b>1185</b>	<b>490</b>

**Note 14**  
**Provisions**

<b>Part</b>	<b>As At March 31, 2019</b>	<b>As At March 31, 2018</b>
	<b>(‘000)</b>	<b>(‘000)</b>
Provision for Income Tax	1443	1238
Provision for Employee Benefits	649	690
	<b>2092</b>	<b>1928</b>

**Note 15**  
**Revenue From Operations**

<b>Particulars</b>	<b>As At March 31,2019</b>	<b>As At March 31,2018</b>
	<b>(‘000)</b>	<b>(‘000)</b>
<b><u>Information Technology Services</u></b>		
Income From IT Export Services	24603	21095
	<b>24603</b>	<b>21095</b>

**Note 16**  
**Other Income**

<b>Particulars</b>	<b>As At March 31,2019</b>	<b>As At March 31,2018</b>
	<b>(‘000)</b>	<b>(‘000)</b>
Interest on Fixed Deposits with Bank	3140	2585
Income from Investment (Dividend and Profits on Investments etc.)	965	58
Other Income	126	347
	<b>4231</b>	<b>2990</b>

**Note 17**  
**Employee Benefit Expenses**

<b>Particulars</b>	<b>As At March 31,2019</b>	<b>As At March 31,2018</b>
	<b>(‘000)</b>	<b>(‘000)</b>
Salary & Wages (Including Director Remuneration see note no. 29)	7078	7620
Contribution to Provident & Other Funds	355	24
Staff Welfare Expenses	144	67
	<b>7577</b>	<b>7711</b>

**Note 18**  
**Finance Cost**

<b>Particulars</b>	<b>As At March 31,2019</b>	<b>As At March 31,2018</b>
	<b>(‘000)</b>	<b>(‘000)</b>
Borrowings Cost	3	62
Foreign Exchange Fluctuation	49	56
	<b>52</b>	<b>118</b>

**Note 19****Depreciation & Amortization**

<b>Particulars</b>	<b>As At March 31,2019</b>	<b>As At March 31,2018</b>
	<b>(‘000)</b>	<b>(‘000)</b>
Depreciation & Amortization Expenses	1222	2263
	<b>1222</b>	<b>2263</b>

**Note 20****Other Expenses**

<b>Particulars</b>	<b>As At March 31,2019</b>	<b>As At March 31,2018</b>
	<b>(‘000)</b>	<b>(‘000)</b>
Advertisement & Marketing expenses	664	447
Bank Charges	56	64
Communication & Internet Expenses	238	316
Collection Charges	699	462
Insurance Expenses	82	90
IT Operating Expenses	9144	4908
Legal & Professional Expenses	882	438
Miscellaneous Expenses	511	650
Payment to auditors (refer Note 24.1 below)	28	25
Power Fuel & Water Charges	140	177
Printing & stationery	102	17
Rent Rates & Taxes	810	863
Repair & Maintenance Expenses	247	93
Travelling & conveyence expenses (Including Director Foreign travelling Expenses)	801	847
	<b>14404</b>	<b>9397</b>

**Note 20.1****Payment to Auditors**

<b>Particulars</b>	<b>As At March 31,2019</b>	<b>As At March 31,2018</b>
	<b>(‘000)</b>	<b>(‘000)</b>
<b>Payment to auditor</b>		
As Auditor-Statutory Audit	28	25
	<b>28</b>	<b>25</b>

**Note 21****Earning Per Share**

<b>Particulars</b>	<b>As At March 31,2019</b>	<b>As At March 31,2018</b>
	<b>(‘000)</b>	<b>(‘000)</b>
<b>Earnings per share</b>		
Basic		
Net profit / (loss) for the year from continuing operations attributable to the equity shareholders	4023	3523
Weighted average number of equity shares	3140.70	3141
Par value per share	10	10
Earnings per share from continuing operations - Basic	1.28	1.12
Diluted	1.28	1.12

**Note 22****Current Assets, Loans & Advances:**

In the opinion of the Board, current assets, loan and advances have a value at least equal to the amount shown in the balance sheet, if realized in the ordinary course of the business. The provisions for all known liabilities are made and not in excess of the amount considered reasonably necessary.

**Note 23****Impairment**

In the view of management no impairment conditions existed on 31st March, 2019. Hence, no provision is required in the accounts for the year under review.

**Note 24****Sitting Fees**

No Sitting Fees has been paid to non-executive directors during the period under review.

**Note 25****Provisions & Contingent Liabilities**

No provision has been made to write off Rs. 1.85 Lakhs of Deferred Revenue expenditure / intangible assets of Megrisoft Limited, a wholly owned subsidiary of the Company, duly incorporated in UK.

In view of accounting policies, Contingent Liability not provided for: Disputed Income Tax Demand against which company has gone into appeal in view of facts of the cases/ opinion obtained Rs. 1,57,31,452/-

During the year, MS Shoes East Limited (now known as Tomorrowland Technologies Exports Limited) has instituted a suit against the company for execution of ex-parte decree for an amount of Rs 85,16,928/- along with interest @18 % p a till date (notice received by the company on 20th April 2018). The Company has taken suitable legal action in this regard.

**Note 26****Foreign Exchange Earnings**

The particulars regarding foreign exchange earnings during the year of Rs. 180.32 Lakhs only (Previous Year Rs. 160.42 Lakhs) and expenditure in foreign currency is Rs. 7.33 Lakhs only (Previous year 10.09 Lakhs).

**Note 27****Foreign Travelling Expenses**

Rs. 4.75 Lakhs was incurred on foreign travelling during the financial year under review as compared to Rs. 8.02 Lakhs during the preceding financial year. The entire amount was incurred on foreign travelling expenses of director.

**Note 28****Auditor's Remuneration**

Auditors remuneration for the financial year 2018-19 is Rs. 28000 (Previous Year Rs. 25000)

**Note 29****Related Party Disclosures:**

In accordance with the requirements of IND AS 24, on related party disclosures, name of the related party, related party relationships, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during reporting period, are:

**A) Disclosure of Related Parties and relationship between the parties.**

Sr.No.	Name of Related Party	Relationship
1.	Mr. Mohnesh Kohli	Promoter, Director & Person having significant influence
2.	Mrs. Neena Kohli	Relative of person having significant influence
3.	Ms. Aprajita Kohli	
4.	Mr. Austin Kohli	
5.	Mr. Rajnesh Sharma (Whole Time Director)	Key Managerial Personnel
6.	Ms. Pratima Yadav (Company Secretary)	
7.	Mohnesh Kohli & Co.	Enterprise Over which controlling person have significant influence
8.	Mohnesh Kohli HUF	
9.	Megrisoft Limited (UK)	Subsidiary Company

**B) Details of transactions with related party for the year ended March 31, 2019 in the ordinary course of business:**

**(Rs. in Lakhs)**

Sr No.	Nature of Relationship/ transaction	Person having Significant Influence & their relatives	Key Managerial Personnel & relatives	Enterprise over which controlling person have significant influence	Subsidiary Company	Total
1.	<b>KMP Remuneration:</b> Mr. Rajnesh Sharma Ms. Pratima Yadav	- -	3.34 2.43	- -	- -	3.34 2.43
2.	<b>Rent paid:</b> Mohnesh Kohli Ms. Neena Kohli	2.40 3.60	- -	- -	- -	2.40 3.60
3.	<b>Reimbursement of expenses receivable</b>	-			20.19	20.19

**Note 30****Previous Year Figures Regrouping/Reclassification**

Previous year figures have been regrouped/reclassified to conform to the current year classification.

**As per the report of even date attached.**

**For Kapil Sandeep & Associates  
Chartered Accountants  
Firm Registration No. 0016244N**

**For and on behalf of Board of  
Directors**

**(Kapil Sabharwal)  
Partner  
Membership No. 096858  
Place: Chandigarh  
Date: May 22, 2019**

**Mohnesh Kohli  
(Director)  
DIN: 01784617**

**Rajnesh Sharma  
(Whole Time  
Director & CFO)  
DIN: 02528435**

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## NOTICE TO THE 28TH ANNUAL GENERAL MEETING

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NOTICE is hereby given that the **28th (Twenty Eighth) Annual General Meeting (AGM)** of the Members of **MEGRI SOFT LIMITED** will be held on Monday, September 30, 2019 at 9:00 a.m. at S.C.O. 80, Sector 47 D, Chandigarh-160047 to transact the following business(es):-

### Ordinary Business

#### Item No. 1- Adoption of Financial Statements

To consider and adopt the Audited Financial Statements (including Consolidated Financial Statements) of the Company for the financial year ended March 31, 2019 and the Report of the Board of Directors (the Board) and Auditors thereon.

#### Item No. 2- Appointment of Mr.. Mohnesh Kohli as a director liable to retire by Rotation

To appoint a Director in place of Mr. Mohnesh Kohli (DIN 01784617), who retires by rotation in terms of Section 152 (6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment and to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT Mr. Mohnesh Kohli (DIN 01784617) who retires by rotation in terms of Section 152 (6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment, be and is hereby reappointed as a Director of the Company, whose period of office shall be liable to determination by retirement of directors by rotation.”

Place: Chandigarh  
Date: August 30, 2019

By order of the Board of Directors  
For Megri Soft Limited

Registered Office:  
S.C.O. 80, Sector 47- D  
Chandigarh(UT) 160047  
E-Mail: [legal@megrisoft.com](mailto:legal@megrisoft.com)  
CIN:L72200CH1992PLC011996

Aman Priya  
Company Secretary

## Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (“AGM”) IS ENTITLED TO APPOINT A PROXY, TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE ENCLOSED PROXY FORM, IF INTENDED TO BE USED, SHOULD REACH THE REGISTERED OFFICE OF THE COMPANY DULY COMPLETED NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. Pursuant to the provisions of Section 105 of the Companies Act, 2013 (“Act”), read with the applicable rules thereon, a person can act as a proxy on behalf of Members not exceeding 50(fifty) and holding in the aggregate not more than 10%(ten percent) of the total share capital of the Company carrying voting rights. A member holding more than 10% (ten per cent) 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. A proxy form is attached hereto.
3. The business set out in the Notice will be transacted through Electronic Voting System and the Company is providing facility for voting by electronic means. The instructions & other information relating to remote e-voting are mentioned in this notice under **Note no. 16** and the Company will also send communication relating to remote-e-voting which inter-alia would contain details about User ID and Password along with a copy of this Notice to the members, separately.
4. Corporate members intending to send their authorized representatives to attend the AGM are requested to send to the Company a certified copy of the Board Resolution, pursuant to section 113 of the Act, authorizing their representative to attend and vote on their behalf at the meeting.
5. Please bring your copy of the annual report to the meeting as the Company would not provide any copy at the venue of the AGM as a measure of Austerity.
6. The relevant explanatory statement pursuant to Section 102 of the Companies Act, 2013 in respect of the special businesses set out above is annexed hereto.
7. Members who hold shares in dematerialized form are requested to write their DP ID and Client ID number(s) and those who hold share(s) in physical form are requested to write their Folio Number(s) in the attendance slip for attending the Meeting to facilitate identification of membership at the Meeting.
8. Relevant documents referred to in the Notice are open for inspection by the members at the registered office of the Company on all working days between 11.00 am to 5.00 pm upto the date of the Meeting.
9. The Register of members & Share Transfer books will remain closed from Tuesday, September 24, 2019 to Monday, September 30, 2019 (both days inclusive).
10. 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 are requested to submit their PAN details to the RTA/Company.
11. Members holding shares in dematerialized mode are requested to intimate all changes with respect to their bank details, mandate, nomination, power of attorney, change of address, email address, change in name etc. to their Depository Participant. These changes will be automatically reflected in the Company’s records which will help the Company to provide efficient and better service to the members.
12. The Securities and Exchange Board of India (SEBI) has by its circular SEBI/HO/DOP1/CIR/P/2018/73 dated 20th April, 2018 mandated the updation of PAN & Bank account details for the holders holding shares in physical form. Those physical shareholders whose folio(s) do not have complete details relating to their PAN and Bank Account, or where there is any change in the bank account details provided earlier, are hereby requested to furnish the details to Company for registration/updation as the earliest possible. Members holding shares in physical form are further requested to intimate all changes with respect to mandate, nomination, power of attorney, change of address, email address, change in name etc. immediately to the Company.



13. Pursuant to the provisions of Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made thereunder as well as Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Annual Report for FY 2018-19 and this Notice, inter alia indicating the process and manner of Remote e-voting along with attendance slip and proxy forms are being sent by email to those Members whose email addresses have been made available to the Company/Depository Participants unless the Member has requested for a hard copy of the same. For Members who have not registered their email addresses, physical copies of the Annual Report for FY 2018-19 and this Notice inter-alia indicating the process and manner of Remote e-voting along with attendance slip and proxy form, will be sent to them in the permitted mode.
14. In support of the Green Initiative, the Notice of AGM and the copies of audited standalone & consolidated financial statements, directors' report, auditors' report etc. will also be displayed on the website at [www.megrisoft.com](http://www.megrisoft.com) of the Company. Members holding shares in electronic mode are therefore requested to ensure to keep their email addresses updated with the depository participants. Members holding shares in physical mode are also requested to update their email addresses by writing to the Company or RTA quoting their folio number(s).
15. Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Management and Administration) Rules, 2014, as amended, and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be passed in the 28th Annual General Meeting, scheduled to be held on **Monday, September 30, 2019 at 9.00 a.m.** by electronic means ('remote e-voting') services provided by the Central Depository Services (India) Limited (CDSL). The facility for voting through Poll will also be made available at the meeting and the members attending meeting who have not cast their vote by remote e-voting shall be able to vote at the meeting through Poll. The Members who have cast their vote by remote e-voting may also attend the meeting but shall not be entitled to cast their vote again at the meeting through poll.
16. **The instructions for shareholders voting electronically are as under:**
- I. The remote e-voting commences on 9.00 a.m on Friday, September 27, 2019 and will end at 5.00 p.m on Sunday, September 29, 2019. 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. Monday, September 23, 2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
  - II. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
  - III. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - IV. Click on "Shareholders" tab.
  - V. 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.
  - VI. Next enter the Image Verification as displayed and Click on Login.
  - VII. If you are holding shares in demat form and had logged onto [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any Company, then your existing password is to be used.
  - VIII. If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p><input type="checkbox"/> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first 2 letters of their name and the 8</p>

	<p>digits of the sequence number in the PAN field. Sequence number is printed on “<b>e-voting instruction slip</b>” attached with the Notice.</p> <p><input type="checkbox"/> In case the sequence number is less than 8 digits, enter the applicable number of 0's before the number after the first 2 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.</p>
Dividend Bank Details Or Date of Birth (DOB)	<p>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.</p> <p><input type="checkbox"/> 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 (iv)</p>

- IX. After entering these details appropriately, click on “SUBMIT” tab.
- X. 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.
- XI. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- XII. Click on the EVSN **190826036 <Megri Soft Limited>** on which you choose to vote.
- XIII. 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.
- XIV. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- XV. 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.
- XVI. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- XVII. You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- XVIII. If Demat account holder has forgotten the log in password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- XIX. **Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- XX. 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](http://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](mailto: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](mailto: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.

- XXI. Any person who acquires shares of the Company and become the member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date, i.e. September 23, 2019 have the option to obtain user-ID & password by sending a request at [legal@megrisoft.com](mailto:legal@megrisoft.com) and may follow the same instructions as mentioned above for e-voting.
- XXII. 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](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- XXIII. A copy of this notice has been placed on the website of the Company at [www.megrisoft.com](http://www.megrisoft.com) and the website of CDSL at [www.cdslindia.com](http://www.cdslindia.com). Members holding shares in electronic mode are therefore requested to ensure to keep their email addresses updated with the depository participants. Members holding shares in physical mode are also requested to update their email addresses by writing to the RTA of the Company quoting their folio number(s).
- XXIV. The Scrutinizer shall count the votes in the presence of at least 2 witnesses not in the employment of the Company and shall report to the Chairman or a person authorized by him in writing within 3 (Three) days of conclusion of the meeting who shall counter-sign the same.
- XXV. The Results shall be declared after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website at [www.megrisoft.com](http://www.megrisoft.com) and on the website of CDSL at [www.cdslindia.com](http://www.cdslindia.com) and communicated to the Stock Exchanges.

**Place: Chandigarh**  
**Date: August 30,2019**

**By order of the Board of Directors**  
**For Megri Soft Limited**

**Registered Office:**  
**S.C.O. 80, Sector 47- D**  
**Chandigarh(UT) 160047**  
**E-Mail: [legal@megrisoft.com](mailto:legal@megrisoft.com)**  
**CIN:L72200CH1992PLC011996**

**Aman Priya**  
**Company Secretary**

## Annexure A

**Details of the Directors seeking appointment/re-appointment in the Annual General Meeting  
[pursuant to Regulation 36 of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015]**

<b>Name of the Director</b>	Mr. Mohnesh Kohli
<b>Date of Birth</b>	16.08.1962
<b>Date of Appointment</b>	09.09.1994
<b>Expertise in Specific Functional Area</b>	Accountancy & Financial Consultancy
<b>Qualification</b>	B. Com., FCA & Grad. CWA
<b>No. of Shares Held</b>	7,07,000
<b>Relationship with Other Directors</b>	Related to Aprajita Kohli
<b>Board Membership of other Companies as on March 31, 2019</b>	None
<b>Chairman/ Member of the Committee of the Board of Directors as on March 31, 2019</b>	<b>Megri Soft Limited</b>  1. Audit Committee- <b>Member</b>  2. Nomination & Remuneration Committee- <b>Member</b>  3. Stakeholders' Relationship Committee- <b>Chairman</b>

## **MEGRI SOFT LIMITED**

Regd. Off. S.C.O. 80, Sector 47-D, Chandigarh-160047, CIN: L72200CH1992PLC011996

Phone No.: 0172-2631550, Fax No.: 0172-5012787, E-mail id: [legal@megrisoft.com](mailto:legal@megrisoft.com),

Website: [www.megrisoft.com](http://www.megrisoft.com)

### **ATTENDANCE SLIP**

**Name of Member:**

**Registered Address:**

**Email Id:**

**Folio No./(DP ID Client ID):**

I confirm that I am a member/proxy for a member of the Company.

I hereby record my presence at the 28th (Twenty Eighth) Annual General Meeting of the Company held on Monday, September 30, 2019, at 9:00 a.m. at S.C.O. 80, Sector 47 D, Chandigarh-160047.

\_\_\_\_\_  
**Name of the Member/Proxy**

\_\_\_\_\_  
**Signature of attending Member/Proxy holder(s)**

**Note:** Members attending the meeting in person or by proxy are requested to complete this attendance slip and handed over at the entrance of the Meeting Hall.

## MEGRI SOFT LIMITED

Regd. Off. S.C.O. 80, Sector 47-D, Chandigarh-160047, CIN: L72200CH1992PLC011996

Phone No.: 0172-2631550, Fax No.: 0172-5012787, E-mail id: [legal@megrisoft.com](mailto:legal@megrisoft.com),

Website: [www.megrisoft.com](http://www.megrisoft.com)

### MGT -11

### 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 Member:

Registered Address:

Email Id:

Folio No./(DP ID Client ID):

I/We being the member(s) of Megri Soft Limited holding \_\_\_\_\_ equity shares of the above named Company hereby appoint:

1. Name: \_\_\_\_\_ Address: \_\_\_\_\_

\_\_\_\_\_ Email Id: \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him/her

2. Name: \_\_\_\_\_ Address: \_\_\_\_\_

\_\_\_\_\_ Email Id: \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him/her

3. Name: \_\_\_\_\_ Address: \_\_\_\_\_

\_\_\_\_\_ Email Id: \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him/her

as my/our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 28th Annual General Meeting of the Company to be held on Monday, September 30, 2019 at 9.00 a.m. at S.C.O. 80, Sector 47 D, Chandigarh-160047 and at any adjournment thereof in respect of such resolutions as are indicated below;

SL. No.	Resolution [Ordinary Business(es)]
1.	Adoption of Audited Financial Statements (including Consolidated Financial Statements) for the FY. ended March 31, 2019 and reports of the Board of Directors and the Auditors thereon.
2.	Re-appointment of Mr. Mohnesh Kohli as Director, who retires by rotation.

\_\_\_\_\_  
Signature of Shareholder(s)

\_\_\_\_\_  
Signature of Proxy holder(s)

Affix the  
revenue  
stamp

Signed this ----- day of ----- 2019.

**Notes:** The Proxy to be effective should be deposited at the Registered office of the company not less than **FORTY EIGHT HOURS** before the commencement of the Meeting.

## ROUTE MAP OF THE AGM VENUE

