

**ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER
FOR THE ELIGIBLE EQUITY SHAREHOLDER OF THE COMPANY ONLY**

This is an Abridged Letter of Offer containing salient features of the Letter of Offer dated July 14, 2021 ("Letter of Offer") which is available on the websites of the Registrar, our Company, the Lead Manager and the Stock Exchanges where the Equity Shares of our Company are listed, i.e., BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE", and together with BSE the "Stock Exchanges"). You are encouraged to read greater details available in the Letter of Offer. Capitalized terms not specifically defined herein shall have the meaning ascribed to them in the Letter of Offer.

THIS ABRIDGED LETTER OF OFFER CONTAINS 10 PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES

Our Company has made available on the Registrar's website at www.cameoindia.com and the Company's website at www.megasoft.com, the Letter of Offer, this Abridged Letter of Offer along with the Application Form and Rights Entitlement Letter for the Eligible Equity Shareholders. You may also download the Letter of Offer from the websites of the Securities and Exchange Board of India ("SEBI"), the Stock Exchanges i.e. www.bseindia.com & www.nseindia.com and the Lead Manager i.e., at www.fedsec.in respectively.

MEGASOFT LIMITED



CIN: L72200TN1999PLC042730

Registered Office:- No.85, Kutchery Road, Mylapore, Chennai – 600004, Tamil Nadu, India | **Corporate Office:** My Home Hub, 1st Floor, Block-3, Madhapur, Hyderabad – 500 081, Telangana, India | **Tel No:** +91 44 2461 6768 / + 91 40 4033 0000 | **Email:** investors@megasoft.com | **Website:** www.megasoft.com | **Contact Person:** Srivalli Susarla, Company Secretary & Compliance Officer

OUR COMPANY IS A PROFESSIONALLY MANAGED COMPANY AND DOES NOT HAVE AN IDENTIFIABLE PROMOTER

ISSUE DETAILS, LISTING AND PROCEDURE

ISSUE OF UP TO 2,95,02,748 FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH OF OUR COMPANY (THE "EQUITY SHARES" OR "RIGHTS EQUITY SHARES") FOR CASH AT A PRICE OF ₹ 10 PER RIGHTS EQUITY SHARE OF OUR COMPANY (AT PAR) FOR AN AMOUNT AGGREGATING UP TO ₹ 2,950.27 LAKHS@ ON A RIGHTS BASIS TO THE ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF 2 RIGHTS EQUITY SHARE FOR EVERY 3 FULLY PAID-UP EQUITY SHARES HELD BY THE ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY ON THE RECORD DATE, THAT IS JULY 13, 2021 (THE "ISSUE"). FOR FURTHER DETAILS, SEE "TERMS OF THE ISSUE" BEGINNING ON PAGE 206 OF THE LETTER OF OFFER.

@Assuming full subscription

The existing Equity Shares of our Company are listed on the BSE & NSE. Our Company has received 'in-principle' approvals from the BSE and NSE for listing the Rights Equity Shares to be allotted pursuant to this Issue vide their letters dated May 28, 2021 and March 09, 2021 respectively. Our Company will also make applications to the Stock Exchanges to obtain their trading approvals for the Right Entitlements as required under the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020. For the purpose of this Issue, the Designated Stock Exchange is BSE.

Procedure: If you wish to know about processes and procedures applicable to Rights Issues, you may refer section titled "Terms of the Issue" on page 206 of the Letter of Offer. You may also download the Letter of Offer from the websites of the Company, SEBI, BSE, NSE, Registrar, the Lead Manager to the Issue and on the R-WAP as stated above. You can also request the Lead Manager to the Issue or BSE or NSE to provide a hard copy of Letter of Offer. Please note that in terms of Regulation 72(5) of the SEBI ICDR Regulations, the Lead Manager and the Stock Exchanges may charge a reasonable amount for providing hard copy of the Letter of Offer.

ELIGIBILITY FOR THE ISSUE

Our Company is eligible to offer Rights Equity Shares pursuant to this Issue in terms of Chapter III of the SEBI ICDR Regulations and other applicable provisions of the SEBI ICDR Regulations. Further, our Company is undertaking this Issue in compliance with Part B of Schedule VI of the SEBI ICDR Regulations.

Minimum Subscription: Not Applicable

INDICATIVE TIMETABLE*

Issue Opening Date	July 22, 2021	Date of Allotment (on or about)	August 13, 2021
Last Date for On Market	July 30, 2021	Date of credit of Rights Equity	August 17, 2021

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Renunciation**		Shares to demat account of Allottee (on or about)	
Issue Closing Date***	August 05, 2021	Date of listing/ commencement of trading of Rights Equity Shares on the Stock Exchanges (on or about)	August 17, 2021
Finalisation of Basis of Allotment (on or about)	August 13, 2021		August 20, 2021

* The above time table is indicative and does not constitute any obligation on our Company or the Lead Manager

**Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.

***Our Board or a duly authorized committee thereof will have the right to extend the Issue period as it may determine from time to time but not exceeding 30 (thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

NOTICE TO INVESTORS

Our Company is undertaking this Issue on a rights basis to the Eligible Equity Shareholders and the Letter of Offer, this Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other applicable Issue material (collectively, the “Issue Materials”) will be sent/ dispatched only to the Eligible Equity Shareholders. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them. Those overseas shareholders who do not update our records with their Indian address or the address of their duly authorized representative in India, prior to the date on which we propose to dispatch the Issue Materials, shall not be sent any Issue materials. Further, the Letter of Offer will be provided through e-mail by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company and who make a request in this regard. Investors can also access the Letter of Offer, the Abridged Letter of Offer and the Application Form from the websites of the Registrar, our Company, the Lead Manager, and the Stock Exchanges, and on R-WAP, subject to the applicable law.

Notice to Investors in the United States

The Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the Securities Act of 1933, as amended (the “Securities Act”), or the securities laws of any state of the United States of America and may not be offered or sold in the United States of America, its territories and possessions, any State of the United States, and the District of Columbia (“United States”), except in a transaction not subject to, or exempt from, the registration requirements of the Securities Act and applicable state securities laws. The Rights Entitlements and Rights Equity Shares are being offered and sold only (a) to persons in the United States who are reasonably believed to be qualified institutional buyers as defined in Rule 144A under the Securities Act (“U.S. QIBs”) pursuant to Section 4(a)(2) of the Securities Act and (b) to persons outside the United States in reliance on Regulation S under the Securities Act (“Regulation S”). In addition, until the expiry of 40 days after the commencement of the Issue, an offer or sale of Rights Entitlements or Rights Equity Shares in the United States by a dealer (whether or not it is participating in the Issue) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an exemption from registration under the Securities Act. The Rights Equity Shares are transferable only in accordance with the restrictions described in “Restrictions on Foreign Ownership of Indian Securities” on page 241 of the Letter of Offer.

GENERAL RISK

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Rights Equity Shares have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”) nor does SEBI guarantee the accuracy or adequacy of the contents of the Letter of Offer. Specific attention of investors is invited to the statement of “Risk Factors” on page 20 of the Letter of Offer and “Internal Risk factors” on page 5 of this Abridged Letter of Offer before making an investment in the Issue.

Lead Manager to the Issue FEDEX SECURITIES PRIVATE LIMITED B 7, 3rd Floor, Jay Chambers, Dayaldas Road, Vile Parle (East), Mumbai - 400 057, Maharashtra, India Tel No.: +91 81049 85249 Fax No.: 022 2618 6966 E-mail ID: mb@fedsec.in Website: www.fedsec.in	Registrar to the Issue CAMEO CORPORATE SERVICES LTD Subramanian Building No. 1, Club House Road, Chennai -600002, Tamil Nadu, India Tel. No: 044 – 28460390 / 044 - 40020710 Fax No: 044-28460129 E-mail ID: priya@cameoindia.com Website: www.cameoindia.com
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Investor Grievance E-Mail ID: mb@fedsec.in Contact Person: Rinkesh Saraiya SEBI Registration Number: INM000010163	Investor Grievance ID: investor@cameoindia.com Contact Person: K. Sreepriya SEBI Registration No: INR000003753
Banker to the Issue/ Refund Bank AXIS Bank Limited First Floor, Corporate Banking Branch, G Pullareddy Building, No. 6-3-879, Greenlands, Begumpet Road, Hyderabad – 500 016, India Tel No. : 040 23253500 Email Id : CBBHyderabad.Branchhead@axisbank.com Website: www.axisbank.com	Self-Certified Syndicate Banks (“SCSBs”) The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA process is provided on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time. For a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms from the Designated Intermediaries, please refer to the above-mentioned link.
Name of the Statutory Auditor : M/s N. C. Rajagopal & Co., Chartered Accountants	

SUMMARY OF BUSINESS

Leveraging more than twenty years of services experience, technology leadership & execution excellence. Our industry agnostic experience in offering cloud services, cyber security, mobile enablement & IoT solutions and mobile network services provides us the maturity to lead the next wave of services globalization.

For further details, please refer chapter titled “Business Overview” on page no. 60 of the Letter of Offer.

OBJECTS OF THE ISSUE

The Net Proceeds are proposed to be used in accordance with the details set forth below:

Sr. No	Objects – Description	Amount (Rs .in Lakhs)
1.	Reduction of the aggregate outstanding borrowings of our Company on a consolidated basis; and	2304.07
2.	General Corporate Purpose*	576.02
TOTAL		2880.09

Subject to the finalization of the Basis of Allotment.

**The amount is subject to adjustment upon finalization of Issue related expenses, however, in no event, shall general corporate purposes exceed 25% of the Gross Proceeds.*

Assuming full subscription in the Issue and subject to finalization of the Basis of Allotment and to be adjusted per the Rights Entitlement ratio.

The Net Proceeds are currently expected to be deployed in accordance with the schedule set forth below:

						(₹ In Lakhs)
Particulars	Total estimated cost	Amount already incurred as on December 31, 2020	Amount to be funded from Net Proceeds	Estimated utilisation of Net Proceeds in FY 2020-21	Estimated utilisation of Net Proceeds in FY 2021-22	of Net in FY
Reduction of the aggregate outstanding borrowings of our Company on a consolidated basis	2304.07	-	2304.07	-		2304.07
General corporate purposes *	576.02	-	576.02	-		576.02

**The amount shall not exceed 25% of the Gross Proceeds.*

Means of Finance:

We confirm that there is no requirement to make firm arrangements of finance under Regulation Clause 8(E) of Part B of Schedule VI of the SEBI ICDR Regulations 2018 through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the Issue.

For further details, see “Object of the Issue” on page 46 of the Letter of Offer.

Name of Monitoring Agency: Not Applicable

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Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilization of issue proceeds of past public issues/rights issues, if any, of the Company in the preceding 10 years. - Not applicable

Terms of Issuance of Convertible Security, if any: Not Applicable, the Issue being an issue of Rights Equity Shares

EQUITY SHAREHOLDING PATTERN OF THE COMPANY AS ON MARCH 31, 2021		
Category of shareholder	Pre-Issue number of Equity shares held	% of Total voting rights
Promoter & Promoter Group	Nil	Nil
Public	4,42,67,293	100%
Total	4,42,67,293	100%

Number/amount of Equity Shares proposed to be sold by selling shareholders, if any: Not Applicable, the Issue being an issue of Rights Equity Shares.

Details of the Issuer or any of its promoters or directors being a wilful defaulter: None of the Issuer, promoters or directors are wilful defaulters.

BOARD OF DIRECTORS

Name	Designation (Independent / Whole Time Director / Executive / Nominee)	Other Directorships
Kumar Venkataraman Gandarvakottai	CEO and Managing Director	<ul style="list-style-type: none"> Soma Tollways Private Limited Soarg Technologies Private Limited
Anil Kumar Sood	Independent Director	NIL
Anish Mathew	Independent Director	NIL
Leona Ambuja	Independent Director	NIL
Sivalenka Kalyan Vijay	Independent Director	<ul style="list-style-type: none"> Springforth Capital Advisors Private Limited Springforth Investment Managers Private Limited Springforth Wealth Advisors Private Limited Springforth Holdings Private Limited Springforth Logistics Holdings Private Limited
Upendar Mekala Reddy	Independent Director	<ul style="list-style-type: none"> Sai Wardha Power Generation Limited Sigma Microsystems Private Limited

For further details, please refer chapter titled “Our Management” on page no. 66 of the Letter of Offer.

FINANCIALS STATEMENT SUMMARY

A summary of our Company’s audited Consolidated Financial Results for the year ended March 31, 2021 March 31, 2020 and March 31, 2019 is stated as below

Particulars	2020-21	2019-20	2018-19
Turnover from operations	5940.22	5673.26	6187.37
Profit Before Tax as per Consolidated P&L Account (₹ in Lakhs)	184.55	66.93	70.52
Profit After Tax as per Consolidated P&L Account (₹ in Lakhs)	184.81	70.71	33.42
Weighted Average Number of Equity Shares at the end of the Year	4,42,67,293	4,42,67,293	4,42,67,293
Net Worth (₹ in Lakhs) (Refer Note 1)	11364.29	11236.28	10931.36
Earnings Per Share			
Basic & Diluted	0.42	0.16	0.08
Return on Net Worth (%)	0.02	0.01	0.003
Net Asset Value Per Share (₹)	25.67	25.38	24.69
Nominal Value per Equity share (₹)	10.00	10.00	10.00

Note 1: Calculation of Networth:

(₹ in lakhs)

Reserve and Surplus	2020-21	2019-20	2018-19
Securities Premium Account	250.66	250.66	250.66

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Reserve and Surplus	2020-21	2019-20	2018-19
<i>Foreign Exchange Translation Reserve</i>	(2299.87)	(2249.74)	(2484.05)
<i>General Reserve</i>	2546.71	2546.71	2546.71
<i>Retained Earnings</i>	8627.61	8442.80	8372.09
<i>Other Comprehensive Income</i>	(2187.55)	(2180.88)	(2180.78)
<i>Total Reserve & Surplus (A)</i>	11374.85	8990.43	8685.41
<i>Equity Share Capital (B)</i>	4426.73	4426.73	4426.73
<i>Networth (A+B)</i>	11364.29	11236.28	10931.36

INTERNAL RISK FACTORS

The below mentioned risks are top 5 risk factors as per the Prospectus.

1. The impact of the COVID-19 pandemic on our business and operations is uncertain and cannot be predicted
2. Failures, defects, delays and other problems involving the technology systems and infrastructure on which we rely for providing our products and services and solutions to our clients may adversely affect our business, financial condition and results of operations.
3. We operate in a highly evolving market and any inability to respond to such changing conditions could adversely affect our business and results of operations.
4. Our Company and Subsidiaries are involved in certain legal and other proceedings. Any adverse outcome in any of these proceedings may adversely affect our profitability and reputation and may have a material adverse effect on our financial condition and results of operations.
5. If we fail to attract and retain highly skilled IT professionals, we may not have the necessary resources to properly staff projects, and failure to successfully compete for such IT professionals could materially adversely affect our business, financial condition and results of operations.

For further details, please refer chapter titled “Risk Factors” on page no. 20 of the Prospectus.

SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION

A summary of material outstanding legal proceedings involving our Company and our Subsidiaries, identified in accordance with the SEBI ICDR Regulations as on the date of this Letter of Offer, including the aggregate approximate amount involved to the extent ascertainable, is provided below.

Sr. No.	Nature & Type of Proceedings	No of cases	Amount In ₹ Lakhs
I	Litigation involving our Company		
A.	Proceedings involving criminal liability on our Company	NIL	NIL
B.	Proceedings involving material violations of statutory regulations by our Company	NIL	NIL
C.	Matters involving economic offences where proceedings have been initiated against our Company	NIL	NIL
D.	Other proceedings involving our Company, and other pending matters which, if they result in an adverse outcome would materially and adversely affect the operations or the financial position of our Company	1	227
II.	Litigation involving our Subsidiaries		
A.	Proceedings involving criminal liability on our Subsidiaries	NIL	NIL
B.	Proceedings involving material violations of statutory regulations by our Subsidiaries	NIL	NIL
C.	Matters involving economic offences where proceedings have been initiated against our Subsidiaries	NIL	NIL
D.	Other proceedings involving our Subsidiary which involve an amount exceeding the Materiality Threshold or are otherwise material in terms of the Materiality Policy, and other pending matters which, if they result in an adverse outcome would materially and adversely affect the operations or the financial position of our Subsidiary	NIL	NIL
	Total	1	227

For further details, please refer chapter titled “Outstanding Litigation and Material Developments” on page no. 194 of the Letter of Offer.

TERMS OF THE ISSUE

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PROCESS OF MAKING AN APPLICATION IN THE ISSUE

In accordance with Regulation 76 of the SEBI ICDR Regulations, the SEBI Rights Issue Circulars and the ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use either the ASBA process or the R-WAP (instituted only for resident Investors in this Issue, in the event the Investors are not able to utilize the ASBA facility for making an Application despite their best efforts). Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA or using the R-WAP.

The Application Form can be used by the Eligible Equity Shareholders as well as the Renouncees, to make Applications in this Issue basis the Rights Entitlements credited in their respective demat accounts or demat suspense escrow account, as applicable. For further details on the Rights Entitlements and demat suspense escrow account, see “Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders” on page 218 of the Letter of Offer. **Please note that one single Application Form shall be used by the Investors to make Applications for all Rights Entitlements available in a particular demat account or entire respective portion of the Rights Entitlements in the demat suspense escrow account in case of resident Eligible Equity Shareholders holding shares in physical form as on Record Date and applying in this Issue, as applicable.**

In case of Investors who have provided details of demat account in accordance with the SEBI ICDR Regulations, such Investors will have to apply for the Rights Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account.

Investors may accept this Issue and apply for the Rights Equity Shares (i) by submitting the Application Form to the Designated Branch of the SCSB or online/ electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts, or (ii) filling the online Application Form available on R-WAP and make online payment using the internet banking or UPI facility from their own bank account thereat. **Please note that Applications made with payment using third party bank accounts are liable to be rejected.**

Applicants should note that they should very carefully fill-in their depository account details and PAN in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB) and R-WAP. Please note that incorrect depository account details or PAN or Application Forms without depository account details (except in case of Eligible Equity Shareholders who hold Equity Shares in physical form and are applying in this Issue in accordance with the SEBI Relaxation Circular through R-WAP) shall be treated as incomplete and shall be rejected. For details see “Grounds for Technical Rejection” on page 217 of the letter of offer. Our Company, the Lead Manager and the Registrar shall not be liable for any incomplete or incorrect demat details provided by the Applicants

A. Procedure for application through ASBA Facility

An Investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with an SCSB, prior to making the Application. Investors desiring to make an Application in this Issue through ASBA process, may submit the Application Form to the Designated Branches of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors should ensure that they have correctly submitted the Application Form, or have otherwise provided an authorisation to the SCSB, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Money mentioned in the Application Form, as the case may be, at the time of submission of the Application,

B. Procedure for Application through the Registrar’s Web-based Application Platform (R-WAP)

In accordance with the SEBI Relaxation Circulars, a separate web-based application platform, i.e., the R-WAP facility (accessible at <https://rights.cameoindia.com/megasoft>), has been instituted for making an Application in this Issue by resident Investors. Further, R-WAP is only an additional option and not a replacement of the ASBA process and R-WAP facility should be utilized only in the event that Investors are not able to utilize the ASBA facility for making an Application despite their best efforts. At the R-WAP, resident Investors can access and submit the online Application Form in electronic mode using the R-WAP. Resident Investors, making an Application through R-WAP, shall make online payment using internet banking or UPI facility. Prior to making an Application, such Investors should enable the internet banking or UPI facility of their respective bank accounts and such Investors should ensure that the respective bank accounts have sufficient funds.

For details, see “Procedure for Application through the R-WAP” on page 210 of the Letter of Offer.

C. Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process

An Eligible Equity Shareholder in India who is eligible to apply under the ASBA process may make an Application to subscribe to this Issue on plain paper in case of non-receipt of Application Form as detailed above. In such cases of non-receipt of the Application Form



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through e-mail or physical delivery (where applicable) and the Eligible Equity Shareholder not being in a position to obtain it from any other source may make an Application to subscribe to this Issue on plain paper with the same details as per the Application Form that is available on the website of the Registrar, Stock Exchanges or the Lead Manager. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorising such SCSB to block Application Money in the said bank account maintained with the same SCSB. Applications on plain paper will not be accepted from any Eligible Equity Shareholder who has not provided an Indian address or is a U.S. Person or in the United States.

Please note that the Eligible Equity Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently.

PLEASE NOTE THAT THE APPLICATION ON PLAIN PAPER CANNOT BE SUBMITTED THROUGH R-WAP.

The Application on plain paper, duly signed by the Eligible Equity Shareholder including joint holders, in the same order and as per specimen recorded with his/her bank, must reach the office of the Designated Branch of the SCSB before the Issue Closing Date and should contain the following particulars:

1. Name of our Company, being Megasoft Limited;
2. Name and address of the Eligible Equity Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);
3. Folio Number (in case of Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date)/DP and Client ID;
4. Except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Equity Shares applied for pursuant to this Issue
5. Number of Equity Shares held as on Record Date;
6. Allotment option – only dematerialised form;
7. Number of Equity Shares entitled to;
8. Number of Equity Shares applied for within the Rights Entitlements;
9. Number of additional Equity Shares applied for, if any (applicable only if entire Rights Entitlements have been applied for);
10. Total number of Equity Shares applied for;
11. Total amount paid at the rate of ₹ 10 per Equity Share;
12. Details of the ASBA Account such as the SCSB account number, name, address and branch of the relevant SCSB;
13. In case of non-resident Eligible Equity Shareholders making an application with an Indian address, details of the NRE/FCNR/NRO account such as the account number, name, address and branch of the SCSB with which the account is maintained;
14. Authorization to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;
15. Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB); and
16. All such Eligible Equity Shareholders are deemed to have accepted the following:

“I/ We understand that neither the Rights Entitlements nor the Equity Shares have been, or will be, registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”), or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to the territories or possessions thereof (the “United States”), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. I/ we understand the Equity Shares referred to in this application are being offered and sold (i) in offshore transactions outside the United States in compliance with Regulation S under the U.S. Securities Act (“Regulation S”) to existing shareholders who are non-U.S. Persons and located in jurisdictions where such offer and sale of the Equity Shares is permitted under laws of such jurisdictions and (ii) within the United States or to U.S. Persons that are “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act) (“U.S. QIB”) pursuant to the private placement exemption set out in Section 4(a)(2) of the U.S. Securities Act, that are also “qualified purchasers” (as defined under the United States Investment Company Act of 1940, as amended) (“QPs”) in reliance upon section 3(c)(7) of the U.S. Investment Company Act. I/ we understand that the Issue is not, and under no circumstances is to be construed as, an offering of any Equity Shares or Rights Entitlements for sale in the United States, or as a solicitation therein of an offer to buy any of the said Equity Shares or Rights Entitlements in the United States. I/ we confirm that I am/ we are (a) not in the United States and a non-U.S. Person and eligible to subscribe for the Equity Shares under applicable securities laws, (b) complying with laws of jurisdictions applicable to such person in connection with the Issue, and (c) understand that neither the Company, nor the Registrar, the Lead Manager or any other person acting on behalf of the Company will accept subscriptions from any person, or the agent of any person, who appears to be, or who the Company, the Registrar, the Lead Manager or any other person acting on behalf of the Company have reason to believe is in the United States or is outside of India and ineligible to participate in this Issue under the securities laws of their jurisdiction.”

I/ We will not offer, sell or otherwise transfer any of the Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation. I/ We satisfy, and each account for which I/ we are acting satisfies, (a) all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of my/our residence, and (b) is eligible to subscribe and is subscribing for the Equity Shares and Rights Entitlements in compliance with applicable securities and other laws of our jurisdiction of residence.

I/ We understand and agree that the Rights Entitlements and Equity Shares may not be reoffered, resold, pledged or otherwise except in an offshore transaction in accordance with Regulation S to a person outside the United States and not reasonably known by the transferor to be a U.S. Person by pre-arrangement or otherwise (including, for the avoidance of doubt, a bona fide sale on the BSE or NSE).

I/ We acknowledge that we, the Lead Manager, its affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements.”

In cases where Multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense escrow account, as applicable, including cases where an Investor submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected.

Investors are requested to strictly adhere to these instructions. Failure to do so could result in an Application being rejected, with our Company, the Lead Manager and the Registrar not having any liability to the Investor. The plain paper Application format will be available on the website of the Registrar at <https://rights.cameoindia.com/megasoft>

Our Company, the Lead Manager and the Registrar shall not be responsible if the Applications are not uploaded by the SCSB or funds are not blocked in the Investors' ASBA Accounts on or before the Issue Closing Date.

D. Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form

Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have opened their demat accounts after the Record Date, shall adhere to following procedure for participating in this Issue:

- i. The Eligible Equity Shareholders shall send a letter to the Registrar containing the name(s), address, e-mail address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either by email, post, speed post, courier, or hand delivery or by uploading the same in the “Demat Registration module” available in RWAP at <https://rights.cameoindia.com/megasoft> so as to reach to the Registrar no later than two Working Days prior to the Issue Closing Date.
- ii. The Registrar shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts at least one day before the Issue Closing Date;
- iii. The remaining procedure for Application shall be same as set out in “Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process” beginning on page 212.

PLEASE NOTE THAT NON-RESIDENT ELIGIBLE EQUITY SHAREHOLDERS, WHO HOLD EQUITY SHARES IN PHYSICAL FORM AS ON RECORD DATE AND WHO HAVE NOT FURNISHED THE DETAILS OF THEIR RESPECTIVE DEMAT ACCOUNTS TO THE REGISTRAR OR OUR COMPANY AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE, SHALL NOT BE ELIGIBLE TO MAKE AN APPLICATION FOR RIGHTS EQUITY SHARES AGAINST THEIR RIGHTS ENTITLEMENTS WITH RESPECT TO THE EQUITY SHARES HELD IN PHYSICAL FORM

E. Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders:

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circular, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI Listing Regulations; or (b) Equity Shares held in the account of IEPF authority; or (c) the demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or (d) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or (e) credit of the Rights Entitlements returned/reversed/failed; or (f) the ownership of the Equity Shares under dispute, including any court proceedings, as applicable g) non-institutional equity shareholders in the United States.

In this regard, our Company has made necessary arrangements with NSDL and CDSL for crediting of the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders in a dematerialized form. A separate ISIN for the Rights Entitlements has also been generated which is INE933B20012. The said ISIN shall remain frozen (for debit) until the Issue Opening Date. The said ISIN shall be suspended for transfer by the Depositories post the Issue Closing Date.

Eligible Equity Shareholders are requested to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective Equity Shares) to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, i.e., August 05, 2021 to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least one day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to our Company or the Registrar account is active to facilitate the aforementioned transfer.

Renunciation & Trading of Rights Entitlementment

Investors shall be able to trade/ transfer their Rights Entitlements either through On Market Renunciation or through Off Market Renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

For details on procedure for Renunciation of Rights Entitlements please refer Chapter Titled Terms of Offer on page 206 of the Letter of Offer.

Fractional Entitlements

The Rights Equity Shares are being offered on a rights basis to existing Eligible Equity Shareholders in the ratio of 2 Rights Equity Shares for every 3 Equity Shares held as on the Record Date. As per SEBI Rights Issue Circular, the fractional entitlements are to be ignored. Accordingly, if the shareholding of any of the Eligible Equity Shareholders is less than 2 Equity Share or is not in the multiple of 3 Equity Shares, the fractional entitlements of such Eligible Equity Shareholders shall be ignored by rounding down of their Rights Entitlements. However, the Eligible Equity Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the Allotment of one additional Rights Equity Share if they apply for additional Rights Equity Shares over and above their Rights Entitlements, if any, subject to availability of Rights Equity Shares in this Issue post allocation towards Rights Entitlements applied for.

For details on fractional entitlements, *please refer “Terms of Issue – Fractional Entitlements on page 221 of the Letter of offer.*

Application for Additional Equity Shares

Investors are eligible to apply for additional Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Equity Shares under applicable law and they have applied for all the Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of additional Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalised in consultation with the Designated Stock Exchange. Applications for additional Equity Shares shall be considered and Allotment shall be made in accordance with the applicable Regulations and in the manner as set out in “Basis of Allotment” beginning on page 231.

For Further detail on application of Additional Equity Shares, please refer “Terms of Issue – Application of Additional Equity Shares on page 215 of the Letter of offer.

Withdrawal of Application

An Investor who has applied in this Issue may withdraw their Application at any time during Issue Period (before Issue Closing) by approaching the SCSB where application is submitted or sending the e-mail withdrawal request to priya@cameoindia.com in case of Application through R-WAP facility. However, no Investor, whether applying through ASBA facility or R-WAP facility, may **withdraw their Application post the Issue Closing Date.**

Subscription to this Issue by our Promoters and members of the Promoter Group

Due to re-classification of promoter, our Company has no shareholder in the category of promoter and promoter group as on the date of this Letter of Offer. Therefore, Subscription to this Issue by our Promoters and members of the Promoter Group is not applicable

Availability of offer document of the immediately preceding public issue or rights issue for inspection: A copy of letter of offer dated March 19, 2002 issued in connection with previous rights issue of Equity Shares of our Company is available in the manner specified in the SEBI ICDR Regulations and also as a material document for inspection.



DECLARATION BY THE COMPANY

We hereby certify that no statement made in the Letter of Offer contravenes any of the provisions of the Companies Act, 2013 and the rules made thereunder. We further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with. We further certify that all disclosures made in the Letter of Offer are true and correct.

SIGNED BY THE DIRECTORS AND CHIEF FINANCIAL OFFICER OF OUR COMPANY

Kumar Venkataraman Gandarvakottai CEO and Managing Director DIN:00059107 Place: Hyderabad	Anil Kumar Sood Independent Director DIN: 00086577 Place: Hyderabad
Anish Mathew Independent Director DIN: 02545538 Place: Singapore	Leona Ambuja Independent Director DIN: 07138817 Place: Hyderabad
Sivalenka Kalyan Vijay Independent Director DIN: 06404449 Place: Hyderabad	Upendar Mekala Reddy Independent Director DIN: 08898174 Place: Hyderabad
Shridhar Thathachary Chief Financial Officer Place: Hyderabad	
Date: July 14, 2021	

**MEGASOFT LIMITED**