


MEGASOFT LIMITED

No.85, Kutchery Road, Mylapore, Chennai 600004

Unaudited Consolidated Financial Results for the 3rd Quarter and 9-month period ended 30 September 2009
Rs lakhs

	Particulars	3 months ended	Corresponding 3 months ended in the previous year	Year to date figures for current period ended	Year to date figures in the previous year	Previous accounting year ended
		30-Sep-2009	30-Sep-2008	30-Sep-2009	30-Sep-2008	31-Dec-2008
		Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Net Sales / Income from Operations	8,110	7,064	23,468	24,591	32,616
2	Expenditure					
a	Personnel costs	3,410	4,856	10,856	13,835	18,239
b	Operating Expenses	3,897	2,031	10,032	6,212	9,677
	Total Expenditure	7,307	6,887	20,888	20,047	27,916
3	Operating Profit before Interest and Depreciation (1-2)	803	177	2,580	4,544	4,700
4	Depreciation and Amortisation	520	665	1,798	1,954	2,604
5	Operating Profit / (Loss) before Interest (3-4)	283	(488)	782	2,590	2,096
6	Finance cost	781	484	2,066	1,290	2,194
7	Operating Profit / (Loss) after Interest and Depreciation (5-6)	(498)	(972)	(1,284)	1,300	(98)
8	Other Income / (Expense)	(427)	1,239	(354)	1,907	3,774
9	Exceptional items	--	--	--	--	--
10	Profit / (Loss) before tax (7+8-9)	(925)	267	(1,638)	3,207	3,676
11	Taxes	23	50	115	270	419
12	Profit / (Loss) after tax (10-11)	(948)	217	(1,753)	2,937	3,257
13	Less: Minority Interest	--	--	--	--	--
14	Profit / (Loss) for the period (12-13)	(948)	217	(1,753)	2,937	3,257
15	Paid-up Equity Share Capital (Rs.10 per share)	4,427	4,427	4,427	4,427	4,427
16	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year					32,099
17	Earnings per Share before extraordinary items for the period, for the year to date and for the previous year (Rs) (not annualised)					
	Basic	(2.14)	0.49	(3.96)	6.63	7.36
	Diluted	(2.12)	0.49	(3.92)	6.48	7.33
18	Public Shareholding					
	Number of Shares	41,063,337	37,255,117	41,063,337	37,255,117	37,255,117
	Percentage of shareholding	92.76%	84.16%	92.76%	84.16%	84.16%
17	Promoters and Promoter Group Shareholding					
a	Pledged / Encumbered					
	Number of Shares	2,500,000		2,500,000		
	Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	78.03%		78.03%		
	Percentage of Shares (as a % of the total share capital of the Company)	5.65%		5.65%		
b	Non - encumbered					
	Number of Shares	703,956		703,956		
	Percentage of Shares (as a % of the total shareholding of the Promoter and Promoter group)	21.97%		21.97%		
	Percentage of Shares (as a % of the total share capital of the Company)	1.59%		1.59%		

Segment-wise revenue, results and capital employed

Segment Revenue						
	IT Services	2,394	3,227	7,943	10,026	13,396
	Telecom	5,716	3,837	15,525	14,565	19,220
	Total	8,110	7,064	23,468	24,591	32,616
	Less: Inter-segment revenue	--	--	--	--	--
	Net Sales Income from Operations	8,110	7,064	23,468	24,591	32,616
Segment Results						
	Profit before Tax & Interest from each segment					
	IT Services	232	662	959	1,754	2,244
	Telecom	396	1,688	1,811	5,369	6,917
	Total	628	2,350	2,770	7,123	9,161
	Less: Finance cost	781	484	2,066	1,290	2,194
	Less: Other unallocable expenditure net-off unallocable income	773	1,599	2,343	2,626	3,291
	Profit / (Loss) before Tax	(926)	267	(1,639)	3,207	3,676


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Rs lakhs

	Particulars	3 months ended	Corresponding 3 months ended in the previous year	Year to date figures for current period ended	Year to date figures in the previous year	Previous accounting year ended
		30-Sep-2009	30-Sep-2008	30-Sep-2009	30-Sep-2008	31-Dec-2008
		Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Net Sales / Income from Operations	2,599	2,257	6,931	8,227	12,383
2	Expenditure					
a	Personnel costs	950	1,758	3,066	4,787	9,809
b	Operating Expenses	351	208	813	783	1,468
	Total Expenditure	1,301	1,966	3,879	5,570	11,277
3	Operating Profit before Interest and Depreciation (1-2)	1,298	291	3,052	2,657	1,106
4	Depreciation and Amortisation	305	418	962	1,248	1,644
5	Operating Profit / (Loss) before Interest (3-4)	993	(127)	2,090	1,409	(538)
6	Finance cost	355	245	1,129	545	837
7	Operating Profit / (Loss) after Interest and Depreciation (5-6)	638	(372)	961	864	(1,375)
8	Other Income / (Expenses)	(389)	981	(296)	1,930	3,156
9	Exceptional items	--	--	--	--	--
10	Profit before tax (7+8-9)	249	609	665	2,794	1,781
10	Provision for taxation	22	50	113	270	417
12	Profit after tax (10-11)	227	559	552	2,524	1,364
13	Less: Provision for diminution in value of Investments / loan	--	--	--	--	121
14	Profit for the period (12-13)	227	559	552	2,524	1,243
15	Paid-up Equity Share Capital (Rs.10 per share)	4,427	4,427	4,427	4,427	4,427
16	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year					27,311
17	Earnings per Share before extraordinary items for the period, for the year to date and for the previous year (Rs) (not annualised)					
	Basic	0.52	1.26	1.25	5.70	3.08
	Diluted	0.51	1.24	1.23	5.58	3.10
18	Aggregate of public shareholding					
	Number of Shares	41,063,337	37,255,117	41,063,337	37,255,117	37,255,117
	Percentage of holding (to total holding)	92.76%	84.16%	92.76%	84.16%	84.16%
17	Promoters and Promoter Group Shareholding					
a	Pledged / Encumbered					
	Number of Shares	2,500,000		2,500,000		
	Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	78.03%		78.03%		
	Percentage of Shares (as a % of the total share capital of the Company)	5.65%		5.65%		
b	Non - encumbered					
	Number of Shares	703,956		703,956		
	Percentage of Shares (as a % of the total shareholding of the Promoter and Promoter group)	21.97%		21.97%		
	Percentage of Shares (as a % of the total share capital of the Company)	1.59%		1.59%		

Segment-wise revenue, results and capital employed

Segment Revenue						
	IT Services	88	258	1,050	969	3,911
	Telecom	2,511	1,999	5,881	7,258	8,472
	Total	2,599	2,257	6,931	8,227	12,383
	Less: Inter-segment revenue	--	--	--	--	--
	Net Sales Income from Operations	2,599	2,257	6,931	8,227	12,383
Segment Results						
	Profit before Tax & Interest from each segment					
	IT Services	33	35	48	151	147
	Telecom	962	2,225	2,869	4,564	4,565
	Total	995	2,260	2,917	4,715	4,712
	Less: Finance cost	355	245	1,129	545	837
	Less: Other unallocable expenditure net-off unallocable income	391	1,406	1,123	1,376	2,094
	Profit / (Loss) before Tax	249	609	665	2,794	1,781



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Notes :

- 1 The financial statements are prepared in accordance with the principles and procedures for the preparation and presentation of consolidated financial statements as set out in the Accounting Standard on Consolidated Financial Statements of the Companies (Accounting Standards) Rules, 2006, of the provisions of the Companies Act, 1956. All material inter-company accounts are eliminated on consolidation.
- 2 Fixed assets used in the Company's business or liabilities contracted have not been identified to any of the primary reportable segments, as they are used interchangeably between segments. Accordingly, no disclosure relating to total segment assets and liabilities have been made.
- 3 Provision for taxation include current tax and deferred tax. Fringe benefit tax is provided up to 31 March 2009.
- 4 Provision for current taxes has been made in accordance with Section 115JB of the Income Tax Act, 1961.
- 5 The company has completed the sale / transfer of the IT Services ("BlueAlly") division to an overseas company w.e.f. 1st October 2009, as approved by the members through postal ballot.
- 6 The company's continued focus on receivable collections and cost cutting measures has started yielding results with improved cash flows. The company views with caution, the current global economic scenario and intends to continue with its cash focus and cautious approach towards the business.
- 7 The company, as on date, has paid and settled the remaining outstandings against the Foreign Currency Convertible Bonds ("FCCB").
- 8 No investor complaints were pending either at the beginning or at the end of the quarter. Two complaints were received and resolved during the quarter.
- 9 Previous period figures have been regrouped, reclassified / rearranged wherever necessary to conform to current period's presentation.
- 10 The Statutory Auditors have carried out a 'Limited Review' of the Company's results in terms of clause 41 of the Listing Agreement with the Stock Exchanges.
- 11 These results were taken on record by the Board of Directors at their Meeting held on 24 October 2009 after a review by the Audit Committee of the Company.
- 12 The standalone financial results of Megasoft Limited have been submitted to the stock exchanges and are available for perusal in the company website at www.megasoft.com and in stock exchange's website of both BSE and NSE viz., www.bseindia.com and www.nseindia.com

By Order of the Board
for MEGASOFT LIMITED

Place: Hyderabad
Date: 24 October 2009

GV Kumar
Managing Director