

MEGASOFT LIMITED

No.85, Kutchery Road, Mylapore, Chennai 600004


Unaudited Consolidated Financial Results for the 3rd Quarter and 9-month period ended 30 September 2010
Rs lakhs

	Particulars	Quarter ended	Quarter ended	9-month period ended	9-month period ended	Previous accounting year ended
		30-Sep-2010	30-Sep-2009	30-Sep-2010	30-Sep-2009	31-Dec-2009
		Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Net Sales / Income from Operations	4,285	8,110	12,430	23,468	30,299
2	Expenditure					
a	Personnel costs	1,251	5,502	3,804	15,794	20,047
b	Operating Expenses	1,674	1,805	4,690	5,094	6,396
	Total Expenditure	2,925	7,307	8,494	20,888	26,443
3	Operating Profit before Interest and Depreciation (1-2)	1,360	803	3,936	2,580	3,856
4	Depreciation and Amortisation	339	520	1,126	1,798	2,427
5	Operating Profit before Interest (3-4)	1,021	283	2,810	782	1,429
6	Finance cost	406	781	1,252	2,066	2,281
7	Operating Profit / (Loss) after Interest and Depreciation (5-6)	615	(498)	1,558	(1,284)	(852)
8	Other Income / (Expense)	43	(427)	42	(354)	(465)
9	Provision / write-off of debtors	--	--	--	--	1,180
10	Profit / (Loss) before tax (7+8-9)	658	(925)	1,600	(1,638)	(2,497)
11	Taxes	50	23	56	115	(287)
12	Profit / (Loss) after tax (10-11)	608	(948)	1,544	(1,753)	(2,210)
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					17,516
17	Earnings per Share before extraordinary items for the period, for the year to date and for the previous year (Rs) (not annualised)					
	Basic	1.37	(2.14)	3.49	(3.96)	(4.99)
	Diluted	1.37	(2.12)	3.49	(3.92)	(4.89)
18	Public Shareholding					
	Number of Shares			41,063,337	41,063,337	41,063,337
	Percentage of shareholding			92.76%	92.76%	92.76%
17	Promoters and Promoter Group Shareholding					
a	Pledged / Encumbered					
	Number of Shares			2,000,000	2,500,000	2,500,000
	Percentage of Shares (as a % of the total shareholding of promoter and promoter group)			62.42%	78.03%	78.03%
	Percentage of Shares (as a % of the total share capital of the Company)			4.52%	5.65%	5.65%
b	Non - encumbered					
	Number of Shares			1,203,956	703,956	703,956
	Percentage of Shares (as a % of the total shareholding of the Promoter and Promoter group)			37.58%	21.97%	21.97%
	Percentage of Shares (as a % of the total share capital of the Company)			2.72%	1.59%	1.59%

MEGASOFT LIMITED

No.85, Kutchery Road, Mylapore, Chennai 600004


Unaudited Financial Results for the 3rd Quarter and 9-month period ended 30 September 2010
Rs lakhs

	Particulars	Quarter ended	Quarter ended	9-month period ended	9-month period ended	Previous accounting year ended
		30-Sep-2010	30-Sep-2009	30-Sep-2010	30-Sep-2009	31-Dec-2009
		Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Net Sales / Income from Operations	1,350	2,599	4,345	6,931	8,870
2	Expenditure					
a	Personnel costs	548	950	1,616	3,066	3,540
b	Operating Expenses	267	351	765	813	1,062
	Total Expenditure	815	1,301	2,381	3,879	4,602
3	Operating Profit before Interest and Depreciation (1-2)	535	1,298	1,964	3,052	4,268
4	Depreciation and Amortisation	131	305	399	962	1,428
5	Operating Profit / (Loss) before Interest (3-4)	404	993	1,565	2,090	2,840
6	Finance cost	153	355	518	1,129	1,337
7	Operating Profit / (Loss) after Interest and Depreciation (5-6)	251	638	1,047	961	1,503
8	Other Income / (Expenses)	63	(389)	(324)	(296)	(375)
9	Exceptional items	--	--	--	--	1,173
10	Profit / (Loss) before tax (7+8-9)	314	249	723	665	(45)
10	Taxes	51	22	56	113	(290)
12	Profit / (Loss) after tax (10-11)	263	227	667	552	245
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					15,108
17	Earnings per Share before extraordinary items for the period, for the year to date and for the previous year (Rs) (not annualised)					
	Basic	0.60	0.52	1.51	1.25	0.55
	Diluted	0.60	0.51	1.51	1.23	0.54
18	Aggregate of public shareholding					
	Number of Shares			41,063,337	41,063,337	41,063,337
	Percentage of holding (to total holding)			92.76%	92.76%	92.76%
17	Promoters and Promoter Group Shareholding					
a	Pledged / Encumbered					
	Number of Shares			2,000,000	2,500,000	2,500,000
	Percentage of Shares (as a % of the total shareholding of promoter and promoter group)			62.42%	78.03%	78.03%
	Percentage of Shares (as a % of the total share capital of the Company)			4.52%	5.65%	5.65%
b	Non - encumbered					
	Number of Shares			1,203,956	703,956	703,956
	Percentage of Shares (as a % of the total shareholding of the Promoter and Promoter group)			37.58%	21.97%	21.97%
	Percentage of Shares (as a % of the total share capital of the Company)			2.72%	1.59%	1.59%

MEGASOFT LIMITED

No.85, Kutchery Road, Mylapore, Chennai 600004

**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 Previous period figures have been regrouped, reclassified / rearranged wherever necessary to conform to current period's presentation. Current period figures are without IT Services ('BlueAlly') Division subsequent to its divestment, w.e.f. 1 October 2009, and hence are not comparable.
- 3 Subsequent to this divestment, the company has a single reportable segment, that of Telecom. Accordingly, Accounting Standard 17 (AS 17 – Segment Reporting) issued by ICAI / Company (Accounting Standards) Rules, 2006 is no longer applicable.
- 4 Other income / (expenses) include Net Exchange gain / (loss) during the period / year.
- 5 Provision for taxation includes current tax and deferred tax.
- 6 Provision for current taxation has been made in accordance with Section 115JB of the Income Tax Act, 1961.
- 7 No investor complaints were pending either at the beginning or at the end of the quarter. Three complaints were received and resolved during the quarter.
- 8 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.
- 9 These results were taken on record by the Board of Directors at their Meeting held on 2 November 2010 after a review by the Audit Committee of the Company.
- 10 The company sought for and obtained approval of the members of the company through a postal ballot process, postal ballot results announced on 15 October 2010, for sale / disposal of the company's land and buildings (including furnishings and fittings) at Kundanbagh, Begumpet, Hyderabad and land at Vishakhapatnam.
- 11 As per clause 41 of the Listing Agreement, the company has opted to publish Consolidated Financial Results. The standalone financial results of Megasoft Limited have been submitted to the stock exchanges and are available for perusal in the company's website at www.megasoft.com and in stock exchange's website of both BSE and NSE viz., www.bseindia.com and www.nseindia.com
- 12 The following are the particulars of the company (on standalone basis):

	Particulars	Quarter ended	Quarter ended	9-month period ended	9-month period ended	Previous accounting year ended
		30-Sep-2010	30-Sep-2009	30-Sep-2010	30-Sep-2009	31-Dec-2009
		Unaudited	Unaudited	Unaudited	Unaudited	Audited
a	Turnover	1,350	2,599	4,345	6,931	8,870
b	Profit / (Loss) before tax	314	249	723	665	(45)
c	Profit / (Loss) after tax	263	227	667	552	245

By Order of the Board
for MEGASOFT LIMITED

Place: Chennai
Date: 2 November 2010

GV Kumar
Managing Director