

MEGASOFT LIMITED [CIN: L72200TN1999PLC042730]

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

Tel: +91.44.24616768; Fax: +91.44.24617810; email: investors@megasoft.com; website: www.megasoft.com

Consolidated Financial Results for the quarter and year ended (15 months) 31 March 2015

Rs lakhs

	Particulars	3 months	Preceding 3	Corresponding	Year ended	Previous year
		ended	months ended	3 months	(15 months)	ended
		31-Mar-2015	31-Dec-2014	ended in the	31-Mar-2015	31-Dec-2013
		Audited	Unaudited	Unaudited	Audited	Audited
1	Net Sales / Income from Operations	1,923	1,605	2,405	10,073	10,551
2	Expenditure					
a	Cost of materials consumed	394	24	631	1,415	857
b	Employee benefits expense	577	552	556	2,723	2,294
c	Depreciation and Amortisation expense	202	273	286	1,355	1,187
d	Other Expenses	529	680	662	3,441	4,766
	Total Expenditure	1,702	1,529	2,135	8,934	9,104
3	Profit from operations before other income, finance costs and exceptional items (1 - 2)	221	76	270	1,139	1,447
4	Other income / (Expense)	103	36	(25)	106	345
5	Profit from ordinary activities before finance costs and exceptional items (3 + 4)	324	112	245	1,245	1,792
6	Finance cost	196	275	225	1,203	1,119
7	Profit from ordinary activities after finance costs but before exceptional items (5 - 6)	128	(163)	20	42	673
8	Exceptional Items					
	Provision / write-off of debtors	18	--	--	18	380
9	Profit from ordinary activities before tax (7 - 8)	110	(163)	20	24	293
10	Taxes	(47)	--	9	(49)	24
11	Profit after tax (9 - 10)	157	(163)	11	73	269
12	Paid-up Equity Share Capital (Rs.10 per share)	4,427	4,427	4,427	4,427	4,427
13	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year				16,542	16,632
14	Earnings per Share before extraordinary items for the period, for the year to date and for the previous year (Rs) (not annualised)					
	Basic	0.35	(0.37)	0.02	0.16	0.61
	Diluted	0.34	(0.35)	0.02	0.16	0.58
PART II - Select information for the quarter ended 31 March 2015						
A PARTICULARS OF SHARE HOLDING						
1	Public Shareholding					
	Number of Shares	41,063,337	41,063,337	41,063,337	41,063,337	41,063,337
	Percentage of shareholding	92.76%	92.76%	92.76%	92.76%	92.76%
2	Promoters and Promoter Group Shareholding					
a	Pledged / Encumbered					
	Number of Shares	--	--	--	--	--
	Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	0.00%	0.00%	0.00%	0.00%	0.00%
	Percentage of Shares (as a % of the total share capital of the Company)	0.00%	0.00%	0.00%	0.00%	0.00%
b	Non - encumbered					
	Number of Shares	3,203,956	3,203,956	3,203,956	3,203,956	3,203,956
	Percentage of Shares (as a % of the total shareholding of the Promoter and Promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%
	Percentage of Shares (as a % of the total share capital of the Company)	7.24%	7.24%	7.24%	7.24%	7.24%
B INVESTORS COMPLAINTS					Three Months ended 31 March 2015	
	Pending at the beginning of the Quarter	0				
	Received during the Quarter	3				
	Disposed during the Quarter	3				
	Remaining unresolved at the end of the Quarter	0				

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Statement of Assets and Liabilities - Consolidated		Rs lakhs	
		31-Mar-2015	31-Dec-2013
Particulars		Audited	Audited
EQUITY AND LIABILITIES			
1	Shareholders' Funds		
a	Share Capital	4,427	4,427
b	Reserves & Surplus	12,557	16,631
	Sub-total - Shareholders' funds	16,984	21,058
2	Non-Current liabilities		
a	Long-term borrowings	1	14
b	Deferred tax liability (net)	--	35
c	Long-term provisions	144	123
	Sub-total - Non-current liabilities	145	172
3	Current liabilities		
a	Short-term borrowings	9,355	7,203
b	Trade payables	2,748	2,793
c	Other current liabilities	1,913	3,488
d	Short-term provisions	79	416
	Sub-total - Current liabilities	14,095	13,900
TOTAL - EQUITY AND LIABILITIES		31,224	35,130
ASSETS			
1	Non-current Assets		
a	Fixed Assets	9,096	10,314
b	Goodwill on consolidation	10,158	10,158
c	Non-current investments	1,212	1,212
d	Deferred tax assets (Net)	6	--
	Sub-total - Non-current assets	20,472	21,684
2	Current Assets		
a	Sundry Debtors	8,778	6,613
b	Cash & Bank balances	376	1,021
c	Loans & Advances	1,598	5,812
	Sub-total - Current assets	10,752	13,446
TOTAL - ASSETS		31,224	35,130

Note: Reserves & Surplus is nett-off foreign currency translation reserve of (Rs 163 lakhs) for the current period.

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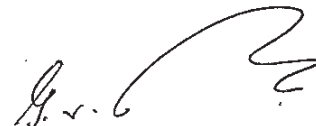
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Notes :

- The above results were reviewed by the Audit / Risk & Compliance Committee and approved by the board of directors at their meeting on 26 May 2015. The figures of last quarter are the balancing figures between audited figures in respect of the full financial year (15 months) and the published year to date figures upto the fourth quarter of the current financial year.
- The company received the title and completed the registration formalities on 23 May 2015 for lands situated at Madhapur (0.75 acres) and Nanakramaguda, Hyderabad (acquired through amalgamation of VisualSoft Technologies Limited in 2006) allotted by TSIC (previously APIIC). Out of 15.61 acres originally allotted at Nanakramguda, Hyderabad, as per the directions of Government of Telangana the company surrendered an area of 7.29 acres and retained the balance land.
- The board of directors vide resolution dated 14 November 2014 have approved change of the financial year of the company from January-December to April-March, effective 1 April 2015. In view of this, the current financial year is for a period of 15 months i.e. 1 January 2014 to 31 March 2015.
- Previous period figures have been regrouped, reclassified / rearranged wherever necessary to conform to current period's presentation. The results for the financial year (15 months period, 1 January 2014 to 31 March 2015) ended 31 March 2015 are not directly comparable with the results for the financial year (12 months period, 1 January 2013 to 31 December 2013) ended 31 December 2013.
- Certain advances made by the wholly owned subsidiary company prior to 2007 (being the date of acquisition of that wholly owned subsidiary) have been set-off to retained earnings by that wholly owned subsidiary.
- 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 not applicable.
- Other income / (expenses) Include Net Exchange gain / (loss) during the period / year.
- Taxes include current tax and deferred tax.
- The consolidated 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 (as amended). All Inter-company accounts are eliminated on consolidation.
- Pursuant to the provisions of the Listing Agreement, the management has decided to publish consolidated financial results in the newspapers. However, the standalone unaudited financial results will be made available on the company's website at www.megasoft.com and also on the websites of the stock exchanges.

Information of standalone financial results in terms of clause 41(VI)(b) of the Listing Agreement is under:

	Particulars	3 months ended	Preceding 3 months ended	Corresponding 3 months ended in the previous year	Year ended	Previous year ended
		31-Mar-2015	31-Dec-2014	31-Mar-2014	31-Mar-2015	31-Dec-2013
		Audited	Unaudited	Unaudited	Audited	Audited
a	Turnover	1,054	756	1,421	5,337	5,062
b	Profit / (Loss) before tax	(19)	(26)	24	13	312
c	Profit / (Loss) after tax	29	(26)	15	63	291

By Order of the Board
for MEGASOFT LIMITED

GV Kumar
Managing DirectorPlace: Hyderabad
Date: 26 May 2015

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Standalone Financial Results for the quarter and year ended (15 months) 31 March 2015

Rs lakhs

	Particulars	3 months ended	Preceding 3 months ended	Corresponding 3 months ended in the previous year	Year ended (15 months)	Previous year ended
		31-Mar-2015	31-Dec-2014	31-Mar-2014	31-Mar-2015	31-Dec-2013
		Audited	Unaudited	Unaudited	Audited	Audited
1	Net Sales / Income from Operations	1,054	756	1,421	5,337	5,062
2	Expenditure					
a	Cost of materials consumed	293	23	614	1,291	736
b	Employee benefits expense	444	391	388	1,988	1,572
c	Depreciation and Amortisation expense	48	43	77	304	277
d	Other Expenses	293	288	231	1,480	1,664
	Total Expenditure	1,078	745	1,310	5,063	4,249
3	Profit / (Loss) from operations before other income, finance costs and exceptional items (1 - 2)	(24)	11	111	274	813
4	Other Income / (Expense)	79	30	(26)	71	361
5	Profit from ordinary activities before finance costs and exceptional items (3 + 4)	55	41	85	345	1,174
6	Finance cost	58	67	61	316	542
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 - 6)	(3)	(26)	24	29	632
8	Exceptional Items					
	Provision / write-off of debtors	16	--	--	16	320
9	Profit / (Loss) from ordinary activities before tax (7 - 8)	(19)	(26)	24	13	312
10	Taxes	(48)	--	9	(50)	21
11	Profit / (Loss) after tax (9 - 10)	29	(26)	15	63	291
13	Paid-up Equity Share Capital (Rs.10 per share)	4,427	4,427	4,427	4,427	4,427
14	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year				13,000	12,939
15	Earnings per Share before extraordinary Items for the period, for the year to date and for the previous year (Rs) (not annualised)					
	Basic	0.07	(0.06)	0.03	0.14	0.66
	Diluted	0.06	(0.06)	0.03	0.14	0.62
PART II - Select information for the quarter ended 31 March 2015						
A PARTICULARS OF SHARE HOLDING						
1	Public Shareholding					
	Number of Shares	41,063,337	41,063,337	41,063,337	41,063,337	41,063,337
	Percentage of holding (to total holding)	92.76%	92.76%	92.76%	92.76%	92.76%
2	Promoters and Promoter Group Shareholding					
a	Pledged / Encumbered					
	Number of Shares	--	--	--	--	--
	Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	0.00%	0.00%	0.00%	0.00%	0.00%
	Percentage of Shares (as a % of the total share capital of the Company)	0.00%	0.00%	0.00%	0.00%	0.00%
b	Non - encumbered					
	Number of Shares	3,203,956	3,203,956	3,203,956	3,203,956	3,203,956
	Percentage of Shares (as a % of the total shareholding of the Promoter and Promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%
	Percentage of Shares (as a % of the total share capital of the Company)	7.24%	7.24%	7.24%	7.24%	7.24%
B INVESTORS COMPLAINTS						
				Three Months ended 31 March 2015		
Pending at the beginning of the Quarter				0		
Received during the Quarter				3		
Disposed during the Quarter				3		
Remaining unresolved at the end of the Quarter				0		

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Statement of Assets and Liabilities - Standalone		Rs lakhs	
		31-Mar-2015	31-Dec-2013
Particulars		Audited	Audited
EQUITY AND LIABILITIES			
1	Shareholders' Funds		
a	Share Capital	4,427	4,427
b	Reserves & Surplus	13,000	12,939
	Sub-total - Shareholders' funds	17,427	17,366
2	Non-Current liabilities		
a	Long-term borrowings	1	11
b	Deferred tax liability (net)	--	35
c	Long-term provisions	144	123
	Sub-total - Non-current liabilities	145	169
3	Current liabilities		
a	Short-term borrowings	1,676	1,651
b	Trade payables	1,363	416
c	Other current liabilities	263	315
d	Short-term provisions	79	413
	Sub-total - Current liabilities	3,381	2,795
TOTAL - EQUITY AND LIABILITIES		20,953	20,330
ASSETS			
1	Non-current Assets		
a	Fixed Assets	4,715	4,933
b	Non-current investments	6,856	6,856
c	Deferred tax assets (Net)	6	--
	Sub-total - Non-current assets	11,577	11,789
2	Current Assets		
a	Sundry Debtors	6,076	4,179
b	Cash & Bank balances	208	515
c	Loans & Advances	3,092	3,847
	Sub-total - Current assets	9,376	8,541
TOTAL - ASSETS		20,953	20,330

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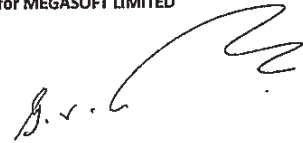
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Notes :

- 1 The above results were reviewed by the Audit / Risk & Compliance Committee and approved by the board of directors at their meeting on 26 May 2015. The figures of last quarter are the balancing figures between audited figures in respect of the full financial year (15 months) and the published year to date figures upto the fourth quarter of the current financial year.
- 2 The company received the title and completed the registration formalities on 23 May 2015 for lands situated at Madhapur (0.75 acres) and Nanakramaguda, Hyderabad (acquired through amalgamation of VisualSoft Technologies Limited in 2006) allotted by TSIIIC (previously APIIC). Out of 15.61 acres originally allotted at Nanakramguda, Hyderabad, as per the directions of Government of Telangana the company surrendered an area of 7.29 acres and retained the balance land.
- 3 The board of directors vide resolution dated 14 November 2014 have approved change of the financial year of the company from January-December to April-March, effective 1 April 2015. In view of this, the current financial year is for a period of 15 months i.e. 1 January 2014 to 31 March 2015.
- 4 Previous period figures have been regrouped, reclassified / rearranged wherever necessary to conform to current period's presentation. The results for the financial year (15 months period, 1 January 2014 to 31 March 2015) ended 31 March 2015 are not directly comparable with the results for the financial year (12 months period, 1 January 2013 to 31 December 2013) ended 31 December 2013.
- 5 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 not applicable.
- 6 Other income / (expenses) include Net Exchange gain / (loss) during the period / year.
- 7 Taxes include current tax and deferred tax.

By Order of the Board
for MEGASOFT LIMITED



GV Kumar
Managing Director

Place: Hyderabad
Date: 26 May 2015

Srikanth & Shanthi Associates

New No.54, Old No.103, 1st floor
PS Sivasamy Salai, Mylapore
Chennai 600004
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TN Rajendran & Co.

New No.2, Old No.25, 1st Floor
Chengalvarayan Street, Shenoy Nagar
Chennai 600030
Tel: 91-44-26640640

Auditor's Report On Quarterly Consolidated Financial Results and Consolidated Year to Date Results of the Company
Pursuant to the Clause 41 of the Listing Agreement

To
Board of Directors of Megasoft Limited

We have audited the quarterly consolidated financial results of Megasoft Limited for the quarter ended 31 March 2015 and the consolidated year to date results for the period 1 January 2014 to 31 March 2015, attached herewith, being submitted by the company pursuant to the requirement of clause 41 of the Listing Agreement except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. These consolidated quarterly financial results as well as the consolidated year to date financial results have been prepared from consolidated interim financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these consolidated financial results based on our audit of such consolidated interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, Interim Financial Reporting, issued pursuant to the Companies (Accounting Standards) Rules, 2006 as per Section 211(3C) of the Companies Act, 1956 or by the Institute of Chartered Accountants of India and other accounting principles generally accepted in India.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

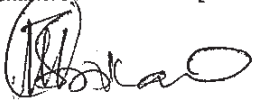
We did not audit the financial statements of the subsidiaries included in the consolidated quarterly financial results and consolidated year to date results, whose consolidated interim financial statements reflect total assets of Rs 576 million as at 31 March 2015 and Rs 576 million as at the quarter ended 31 March 2015; as well as the total revenue of Rs 474 million as at 31 March 2015 and Rs 87 million as at the quarter ended 31 March 2015. These interim financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion on the quarterly financial results and the year to date results, to the extent they have been derived from such interim financial statements is based solely on the report of such other auditors.

In our opinion and to the best of our information and according to the explanations given to us these consolidated quarterly financial results as well as the consolidated year to date results:

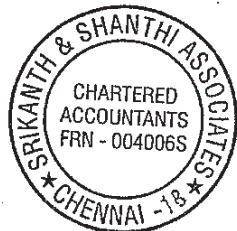
- (i) include the quarterly financial results and year to date of the following entities;
 - (a) Megasoft Consultants Sdn Bhd, Malaysia
 - (b) Megasoft Consultants Pte Ltd, Singapore
 - (c) XIUS Holding Corp (formerly, Boston Communications Group, Inc.), USA
 - (d) Xius Corp (formerly, Cellular Express, Inc.), USA
 - (e) BCGI Wireless Private Limited, India
- (ii) have been presented in accordance with the requirements of clause 41 of the Listing Agreement in this regard; and
- (iii) give a true and fair view of the consolidated net profit and other financial information for the quarter ended 31 March 2015 as well as the consolidated year to date results for the period from 1 January 2014 to 31 March 2015.

Further, we also report that we have, on the basis of the books of account and other records and information and explanations given to us by the management, also verified the consolidated number of shares as well as percentage of shareholdings in respect of aggregate amount of consolidated public shareholdings, as furnished by the company in terms of clause 35 of the Listing Agreement and found the same to be correct.

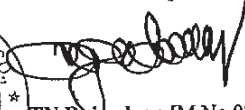
for Srikanth & Shanthi Associates
Chartered Accountants [FRN 004006S]


MC Srikanth [M.No.018588]
Partner

Place: Hyderabad
Date: 26 May 2015



for TN Rajendran & Co.
Chartered Accountants [FRN 005080S]


TN Rajendran [M.No.028778]
Partner



Srikanth & Shanthi Associates

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TN Rajendran & Co.

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Chennai 600030
Tel: 91-44-26640640

Auditor's Report On Quarterly Financial Results and Year to Date Results of the Company
Pursuant to the Clause 41 of the Listing Agreement

To
Board of Directors of Megasoft Limited

We have audited the quarterly financial results of Megasoft Limited for the quarter ended 31 March 2015 and the year to date results for the period 1 January 2014 to 31 March 2015, attached herewith, being submitted by the company pursuant to the requirement of clause 41 of the Listing Agreement except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. These quarterly financial results as well as the year to date financial results have been prepared on the basis of the interim financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these financial results based on our audit of such interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, Interim Financial Reporting, issued pursuant to the Companies (Accounting Standards) Rules, 2006 as per Section 211(3C) of the Companies Act, 1956 or by the Institute of Chartered Accountants of India and other accounting principles generally accepted in India.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year to date results:

- (i) are presented in accordance with the requirements of clause 41 of the Listing Agreement in this regard; and
- (ii) give a true and fair view of the net profit and other financial information for the quarter ended 31 March 2015 as well as the year to date results for the period from 1 January 2014 to 31 March 2015.

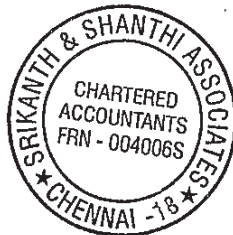
Further, we also report that we have, on the basis of the books of account and other records and information and explanations given to us by the management, also verified the number of shares as well as percentage of shareholdings in respect of aggregate amount of public shareholdings, as furnished by the company in terms of clause 35 of the Listing Agreement and found the same to be correct.

for Srikanth & Shanthi Associates
Chartered Accountants [FRN 004006S]

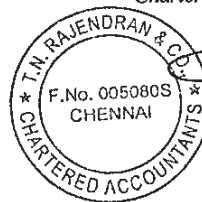


MC Srikanth [M.No.018588]
Partner

Place: Hyderabad
Date: 26 May 2015



for TN Rajendran & Co.
Chartered Accountants [FRN 005080S]



TN Rajendran [M.No.028778]
Partner