



MEGASOFT LIMITED

CIN: L72200TN1999PLC042730

85, Kutchery Road, Mylapore
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12 February 2016

BSE Limited

Phiroze Jeejee Bhoy Towers
Dalal Street, Fort
Mumbai 400001

Scrip Code: 532408

National Stock Exchange of India Limited

Exchange Plaza
Bandra-Kurla Complex, Bandra(E)
Mumbai 400051

Symbol: MEGASOFT

Dear Sirs

Sub: Unaudited Financial Results for Q3 & 9-month period ended 31 Dec 2015

Please find enclosed the Unaudited Financial results of the Company for the 3rd quarter and 9-month period ended 31 December 2015, in terms of regulation 33 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. These results were taken on record at the Meeting of the Board of Directors after review by the Audit Committee of the Company held today.

In this regard, we enclose the "Limited Review Report" of the Auditors of our Company, for your records in terms of said Regulations.

We request you to take the same on record and acknowledge.

Thanking you

Very truly yours
MEGASOFT LIMITED

GV Kumar
Managing Director / Compliance Officer





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

Statement of Consolidated Financial Results for the quarter and nine months ended 31 December 2015

Sl No	Particulars	Rs lakhs				
		3 months ended	Preceding 3 months ended	Corresponding 3 months ended in the previous year	Year to date figures for current period ended	Year to date figures for the previous year ended
		31-Dec-2015	30-Sep-2015	31-Dec-2014	31-Dec-2015	31-Dec-2014
		Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Net Sales / Income from Operations	1,419	1,430	1,605	4,264	5,745
2	Expenditure					
a	Cost of materials consumed	139	147	24	428	390
b	Employee benefits expense	514	504	552	1,495	1,590
c	Depreciation and Amortisation expense	202	199	273	595	867
d	Other Expenses	629	595	680	1,812	2,249
	Total Expenditure	1,484	1,445	1,529	4,330	5,096
3	Profit / (Loss) from operations before other income, finance costs and exceptional items (1 - 2)	(65)	(15)	76	(66)	649
4	Other Income / (Expense)	20	25	36	61	29
5	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3 + 4)	(45)	10	112	(5)	678
6	Finance cost	206	202	275	596	782
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 - 6)	(251)	(192)	(163)	(601)	(104)
8	Exceptional Items					
	Provision / write-off of debtors	-	-	-	-	18
9	Profit / (Loss) from ordinary activities before tax (7 - 8)	(251)	(192)	(163)	(601)	(104)
10	Tax expense	(15)	1	-	(29)	(11)
11	Net Profit / (Loss) after tax (9 - 10)	(236)	(193)	(163)	(572)	(93)
12	Extraordinary items	-	-	-	-	-
13	Net Profit / (Loss) for the period (11-12)	(236)	(193)	(163)	(572)	(93)
14	Paid-up Equity Share Capital (Rs.10 per share)	4,427	4,427	4,427	4,427	4,427
15	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year					12,557
16	Earnings per Share before / after extraordinary items (Rs) (not annualised)					
	Basic	(0.53)	(0.44)	(0.37)	(1.29)	(0.21)
	Diluted	(0.53)	(0.44)	(0.35)	(1.29)	(0.20)

Notes :

- The above results were reviewed by the Audit / Risk & Compliance Committee and approved by the Board of Directors at their meeting held on 12 February 2016 and have undergone a "Limited Review" by the Statutory Auditors of the company. The review report of the Statutory Auditors is being filed with NSE and BSE.
- During the 15 months period ended 31 March 2015, the company had changed its financial year from January-December to April-March, effective 1 April 2015. In view of this, the previous financial year was 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
- The company has a single reportable segment, that of Telecom.
- Other income / (expenses) include Net Exchange gain / (loss) during the period.
- Taxes include current tax and deferred tax.
- Pursuant to the applicability of provisions of Schedule-II of the Companies Act, 2013 ('the Act'), the company has reassessed the estimated useful life of fixed assets. Accordingly, depreciation of Rs 1624 lakhs on account of assets whose useful life is exhausted on 1 April 2015 has been adjusted to opening reserves in terms of transitional provisions of the said Schedule-II. As a result of this change, the depreciation charge for the quarter and nine months ended 31 December 2015 is lower by Rs 56 lakhs and Rs 164 lakhs, respectively.
- The company's appeal to the CIT (Appeals) for assessment years 2006-07 to 2008-09 and 2010-11 to 2011-12 involving an aggregate demand of Rs 4160 lakhs, in respect of claim under section 10A of the Income Tax Act, 1961, has been decided in its favour. The Income Tax Authorities have preferred an appeal before the Income Tax Appellate Tribunal against the decision.
- 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.
- As already informed in May 2015, the Company had completed registration formalities for lands situated at Madhapur and Nanakramaguda, Hyderabad (acquired through amalgamation of VisualSoft Technologies Limited in 2006) allotted by TSIC (previously APIIC). The company is initiating the process for seeking shareholders' approval for dealing with the said properties including for joint development / sale / transfer.

For and on behalf of the Board
for MEGASOFT LIMITED



GV Kumar
GV Kumar
Managing Director

Place: Chennai
Date: 12 February 2016



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Statement of Standalone Financial Results for the quarter and nine months ended 31 December 2015

Rs lakhs

Sl No	Particulars	3 months ended	Preceding 3 months ended	Corresponding 3 months ended in the previous year	Year to date figures for current period ended	Year to date figures for the previous year ended	Previous year ended (15 months)
		31-Dec-2015 Unaudited	30-Sep-2015 Unaudited	31-Dec-2014 Unaudited	31-Dec-2015 Unaudited	31-Dec-2014 Unaudited	31-Mar-2015 Audited
1	Net Sales / Income from Operations	666	746	756	2,169	2,862	5,337
2	Expenditure						
a	Cost of materials consumed	28	89	23	259	384	1,291
b	Employee benefits expense	368	364	391	1,089	1,156	1,988
c	Depreciation and Amortisation expense	17	16	43	48	179	304
d	Other Expenses	230	232	288	651	955	1,480
	Total Expenditure	643	701	745	2,047	2,674	5,063
3	Profit / (Loss) from operations before other income, finance costs and exceptional items (1 - 2)	23	45	11	122	188	274
4	Other Income / (Expense)	19	23	30	62	18	71
5	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3 + 4)	42	68	41	184	206	345
6	Finance cost	57	53	67	171	197	316
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 - 6)	(15)	15	(26)	13	9	29
8	Exceptional Items						
	Provision / write-off of debtors	—	—	—	—	—	16
9	Profit / (Loss) from ordinary activities before tax (7 - 8)	(15)	15	(26)	13	9	13
10	Tax expense	(14)	—	—	(29)	(11)	(50)
11	Net Profit / (Loss) after tax (9 - 10)	(1)	15	(26)	42	20	63
12	Extraordinary Items	—	—	—	—	—	—
13	Net Profit / (Loss) for the period (11-12)	(1)	15	(26)	42	20	63
14	Paid-up Equity Share Capital (Rs.10 per share)	4,427	4,427	4,427	4,427	4,427	4,427
15	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year						13,000
16	Earnings per Share before / after extraordinary items (Rs) (not annualised)						
	Basic	(0.00)	0.03	(0.06)	0.09	0.05	0.14
	Diluted	(0.00)	0.03	(0.06)	0.09	0.04	0.14

Notes :

- The above results were reviewed by the Audit / Risk & Compliance Committee and approved by the Board of Directors at their meeting held on 12 February 2016 and have undergone a "Limited Review" by the Statutory Auditors of the company. The review report of the Statutory Auditors is being filed with NSE and BSE.
- During the 15 months period ended 31 March 2015, the company had changed its financial year from January-December to April-March, effective 1 April 2015. In view of this, the previous financial year was 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
- The company has a single reportable segment, that of Telecom.
- Other income / (expenses) include Net Exchange gain / (loss) during the period.
- Taxes include current tax and deferred tax.
- Pursuant to the applicability of provisions of Schedule-II of the Companies Act, 2013 ('the Act'), the company has reassessed the estimated useful life of fixed assets. Accordingly, depreciation of Rs 210 lakhs on account of assets whose useful life is exhausted on 1 April 2015 has been adjusted to opening reserves in terms of transitional provisions of the said Schedule-II. As a result of this change, the depreciation charge for the quarter and nine months ended 31 December 2015 is lower by Rs 16 lakhs and Rs 46 lakhs, respectively.
- The company's appeal to the CIT (Appeals) for assessment years 2006-07 to 2008-09 and 2010-11 to 2011-12 involving an aggregate demand of Rs 4160 lakhs, in respect of claim under section 10A of the Income Tax Act, 1961, has been decided in its favour. The Income Tax Authorities have preferred an appeal before the
- As already informed in May 2015, the Company had completed registration formalities for lands situated at Madhapur and Nanakramaguda, Hyderabad (acquired through amalgamation of VisualSoft Technologies Limited in 2006) allotted by TSIC (previously APIIC). The company is initiating the process for seeking shareholders' approval for dealing with the said properties including for joint development / sale / transfer.

Place: Chennai
Date: 12 February 2016



For and on behalf of the Board
for MEGASOFT LIMITED

GV Kumar
Managing Director

Srikanth & Shanthi Associates

New No.17, Old No.9, 1st Floor
Desikachary Road, Alwarpet
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TN Rajendran & Co.

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Chennai 600030
Tel: 91-44-26640640
email: tnr500@gmail.com

Chartered Accountants

To
The Board of Directors
Megasoft Limited
85, Kutchery Road
Mylapore
Chennai 600004

Dear Sirs

Sub: Review Report

We have reviewed the accompanying statement of unaudited financial results of **Megasoft Limited** for the period ended 31 December 2015. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

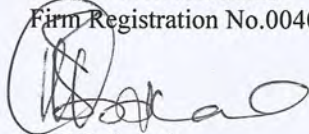
We conducted our review in accordance with the Standard on Review Engagement (SRE) 2400, Engagements to Review Financial Statements issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

for **Srikanth & Shanthi Associates**

Chartered Accountants

Firm Registration No.004006S



MC Srikanth

Partner

Membership No.18588



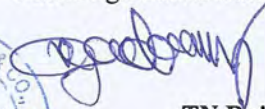
Place: Chennai

Date: 12 February 2016

for **TN Rajendran & Co.**

Chartered Accountants

Firm Registration No.005080S



TN Rajendran

Partner

Membership No.28778