



MEGASOFT LIMITED

Megasoft Towers
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Kundanbagh, Begumpet
Hyderabad - 500 016, India.
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13 November 2013

BSE Limited

Phiroze Jeejee Bhoy Towers
Dalal Street
Fort
Mumbai 400001

Madras Stock Exchange Limited

Exchange Building
Post Box No.183
No.11, Second Line Beach
Chennai 600001

National Stock Exchange of India Limited

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

Dear Sirs

Sub: Unaudited Financial Results for Q3 & 9-month period of 2013

Please find enclosed the Unaudited Financial results of the Company for the 3rd quarter and 9-month period ended 30 September 2013, in terms of clause 41 of the Listing Agreement. These results were taken on record at the Meeting of the Board of Directors 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 clause 41 of the Listing Agreement.

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

Thanking you

Very truly yours
MEGASOFT LIMITED

GP Srinath
Company Secretary



PART I - Statement of Consolidated Unaudited results for the quarter and nine months period ended 30 September 2013							Rs lakhs
	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
		30-Sep-2013	30-Jun-2013	30-Sep-2012	30-Sep-2013	30-Sep-2012	31-Dec-2012
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Net Sales / Income from Operations	2,434	2,552	2,668	7,666	8,602	11,540
2	Expenditure						
a	Employee benefits expense	963	978	1,299	2,935	3,976	5,047
b	Depreciation and Amortisation expense	319	269	317	895	927	1,233
c	Operating Expenses	910	901	1,048	2,732	3,061	4,324
	Total Expenditure	2,192	2,148	2,664	6,562	7,964	10,604
3	Profit from operations before other income, finance costs and exceptional items (1 + 2)	242	404	4	1,104	638	936
4	Other income / (Expense)	15	80	(41)	68	187	306
5	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3 + 4)	257	484	(37)	1,172	825	1,242
6	Finance cost	231	340	291	920	735	1,058
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 - 6)	26	144	(328)	252	90	184
8	Exceptional items						
	Provision / write-off of debtors	--	--	--	--	--	20
9	Profit / (Loss) from ordinary activities before tax (7 - 8)	26	144	(328)	252	90	164
10	Taxes	--	3	(10)	5	2	47
11	Profit / (Loss) after tax (9 - 10)	26	141	(318)	247	88	117
12	Paid-up Equity Share Capital (Rs.10 per share)	4,427	4,427	4,427	4,427	4,427	4,427
13	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year						16,958
14	Earnings per Share before / after extraordinary items (Rs) (not annualised)						
	Basic	0.06	0.31	(0.73)	0.56	0.20	0.26
	Diluted	0.06	0.30	(0.71)	0.54	0.20	0.25
PART II - Select information for the quarter ended 30 September 2013							
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	41,063,337
	Percentage of shareholding	92.76%	92.76%	92.76%	92.76%	92.76%	92.76%
2	Promoters and Promoter Group Shareholding						
a	Pledged / Encumbered						
	Number of Shares	--	--	941,870	--	941,870	941,870
	Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	--	--	29.40%	--	29.40%	29.40%
	Percentage of Shares (as a % of the total share capital of the Company)	--	--	2.13%	--	2.13%	2.13%
b	Non - encumbered						
	Number of Shares	3,203,956	3,203,956	2,262,086	3,203,956	2,262,086	2,262,086
	Percentage of Shares (as a % of the total shareholding of the Promoter and Promoter group)	100.00%	100.00%	70.60%	100.00%	70.60%	70.60%
	Percentage of Shares (as a % of the total share capital of the Company)	7.24%	7.24%	5.11%	7.24%	5.11%	5.11%
B INVESTORS COMPLAINTS							
					Three Months ended 30 September 2013		
Pending at the beginning of the Quarter					0		
Received during the Quarter					2		
Disposed during the Quarter					2		
Remaining unresolved at the end of the Quarter					0		



PART I - Statement of Unaudited results for the quarter and nine months period ended 30 September 2013

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	Rs lakhs Previous year ended
	30-Sep-2013	30-Jun-2013	30-Sep-2012	30-Sep-2013	30-Sep-2012	31-Dec-2012
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1 Net Sales / Income from Operations	1,208	957	1,023	3,309	3,481	4,616
2 Expenditure						
a Employee benefits expense	830	614	570	2,079	2,165	2,902
b Depreciation and Amortisation expense	62	39	89	183	258	340
c Operating Expenses	218	161	305	560	803	1,169
Total Expenditure	1,110	814	964	2,822	3,226	4,411
3 Profit from operations before other income, finance costs and exceptional items (1 - 2)	98	143	59	487	255	205
4 Other income / (Expense)	67	55	(32)	95	202	310
5 Profit from ordinary activities before finance costs and exceptional items (3 + 4)	165	198	27	582	457	515
6 Finance cost	121	133	66	444	170	335
7 Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 - 6)	44	65	(39)	138	287	180
8 Exceptional Items						
Provision / write-off of debtors	--	--	--	--	--	20
9 Profit / (Loss) from ordinary activities before tax (7 - 8)	44	65	(39)	138	287	160
10 Taxes	--	4	(10)	6	2	42
11 Profit / (Loss) after tax (9 - 10)	44	61	(29)	132	285	118
12 Paid-up Equity Share Capital (Rs.10 per share)	4,427	4,427	4,427	4,427	4,427	4,427
13 Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year						12,649
14 Earnings per Share before extraordinary items for the period, for the year to date and for the previous year (Rs) (not annualised)						
Basic	0.10	0.14	(0.07)	0.30	0.64	0.27
Diluted	0.09	0.14	(0.07)	0.29	0.63	0.26

PART II - Select information for the quarter ended 30 September 2013

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	41,063,337
Percentage of shareholding	92.76%	92.76%	92.76%	92.76%	92.76%	92.76%
2 Promoters and Promoter Group Shareholding						
a Pledged / Encumbered						
Number of Shares	--	--	941,870	--	941,870	941,870
Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	--	--	29.40%	--	29.40%	29.40%
Percentage of Shares (as a % of the total share capital of the Company)	--	--	2.13%	--	2.13%	2.13%
b Non - encumbered						
Number of Shares	3,203,956	3,203,956	2,262,086	3,203,956	2,262,086	2,262,086
Percentage of Shares (as a % of the total shareholding of the Promoter and Promoter group)	100.00%	100.00%	70.60%	100.00%	70.60%	70.60%
Percentage of Shares (as a % of the total share capital of the Company)	7.24%	7.24%	5.11%	7.24%	5.11%	5.11%

B INVESTORS COMPLAINTS

Pending at the beginning of the Quarter	Three Months ended 30 September 2013
Received during the Quarter	0
Disposed during the Quarter	2
Remaining unresolved at the end of the Quarter	2
	0



Notes :

- 1 The text of the above statement was approved by the Board of Directors at their meeting held on 13 November 2013 after a review by the Audit Committee of the Company.
- 2 The standalone financial results of Megasoft Limited have been submitted to the stock exchanges and are available for perusal on 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
- 3 Previous period figures have been regrouped, reclassified / rearranged wherever necessary to conform to current period's presentation.
- 4 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 inter-company accounts are eliminated on consolidation.
- 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 During the quarter, the company lost a major customer impacting revenues.
- 7 Other income / (expenses) include Net Exchange gain / (loss) during the period / year.
- 8 Taxes include current tax and deferred tax.
- 9 The Limited Review by the Statutory Auditors for the quarter as required under clause 41 of the Listing Agreement has been completed and the related Report is being forwarded to the Stock Exchanges. This Report does not have any impact on the above Results and Notes which need to be explained.
- 10 The following are the particulars of the company (on standalone basis):

	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
		30-Sep-2013	30-Jun-2013	30-Sep-2012	30-Sep-2013	30-Sep-2012	31-Dec-2012
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
a	Turnover	1,208	957	1,023	3,309	3,481	4,616
b	Profit / (Loss) before tax	44	65	(39)	138	287	160
c	Profit / (Loss) after tax	44	61	(29)	132	285	118

By Order of the Board
for MEGASOFT LIMITED

GV Kumar
Managing Director

Place: Hyderabad
Date: 13 November 2013

Srikanth & Shanthi Associates

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email: sands_sr@yahoo.co.in

TN Rajendran & Co.

New No.2, Old No.25, 1st Floor
Chengalvarayan Street, Shenoy Nagar
Chennai 600 030
Tel: 91.44.26640640
email: tn500@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 3rd quarter and 9-month period ended 30th September 2013 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. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors / Audit committee of the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

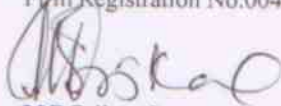
We conducted our review in accordance with the Standard on Review Engagement (SRE) 2400, *Engagements to Review Financial Statements* issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedure applied to financial data and thus provides 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 Clause 41 of the Listing Agreement 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.018588



for **TN Rajendran & Co.**

Chartered Accountants

Firm Registration No.005080S





S Ramanathan

Partner

Membership No.004892

Place: Hyderabad

Date: 13 November 2013