

**Srikanth & Shanthi Associates**

9, Madanagopal Street  
Abhiramapuram  
Chennai 600018  
Tele/Fax: +91-44-24662419/42108419

**TN Rajendran & Co.**

New No.2, Old No.25, 1st Floor  
Chengalvarayan Street, Shenoy Nagar  
Chennai 600030  
Tel: 91-44-26640640 / 42654570

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 December 2011 and the year to date results for the period 1 January 2011 to 31 December 2011, 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 December 2011 as well as the year to date results for the period from 1 January 2011 to 31 December 2011.

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.

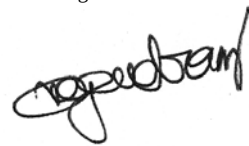
for **Srikanth & Shanthi Associates**  
Chartered Accountants  
Firm Registration No.004006S



**MC Srikanth**  
Partner  
Membership No.18588



for **TN Rajendran & Co.**  
Chartered Accountants  
Firm Registration No.005080S



**TN Rajendran**  
Partner  
Membership No.28778

Place: Chennai  
Date: 28 February 2012

**Srikanth & Shanthi Associates**

9, Madanagopal Street  
Abhiramapuram  
Chennai 600018  
Tele/Fax: +91-44-24662419/42108419

**TN Rajendran & Co.**

New No.2, Old No.25, 1st Floor  
Chengalvarayan Street, Shenoy Nagar  
Chennai 600030  
Tel: 91-44-26640640 / 42654570

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 December 2011 and the consolidated year to date results for the period 1 January 2011 to 31 December 2011, 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 1412 million as at 31 December 2011 and Rs 1412 million as at the quarter ended 31 December 2011; as well as the total revenue of Rs 1453 million as at 31 December 2011 and Rs 338 million as at the quarter ended 31 December 2011. 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 Pvt Ltd, 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 December 2011 as well as the consolidated year to date results for the period from 1 January 2011 to 31 December 2011.

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  
Firm Registration No.004006S

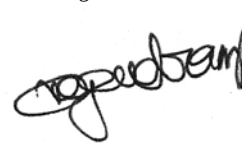


**MC Srikanth**  
Partner  
Membership No.18588



for **TN Rajendran & Co.**

Chartered Accountants  
Firm Registration No.005080S



**TN Rajendran**  
Partner  
Membership No.28778

Place: Chennai  
Date: 28 February 2012