



MEGASOFT LIMITED

6-3-1192/2/1
Kundanbagh, Begumpet
Hyderabad - 500 016. India.
Tel : +91(40) 4033 0000
Fax : +91(40) 4013 3555
www.megasoft.com

May 8, 2012

Bombay Stock Exchange Limited	Madras Stock Exchange Limited	National Stock Exchange of India Limited
Phiroze Jeejee Bhoy Towers	Exchange Building	Exchange Plaza
Dalal Street	Post Box No.183	Bandra-Kurla Complex, Bandra(E)
Fort	No.11, Second Line Beach	<u>Mumbai 400051</u>
<u>Mumbai 400001</u>	<u>Chennai 600001</u>	

Dear Sirs

Sub: Unaudited Financial Results for Q1 of 2012

Please find enclosed the Unaudited Financial results of the Company and the Group for the financial year ended 31 March 2012, pursuant to 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 connection, we enclose the "Limited Review Report" of the joint Statutory Auditors of our Company, M/s Srikanth & Shanthi Associates and M/s TN Rajendran & Co., Chartered Accountants, for your records.

We request you to kindly 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 ended 31 March 2012					Rs lakhs
	Particulars	Quarter ended	Previous Quarter ended	Corresponding quarter ended in the previous	Previous accounting year ended
		31-Mar-2012	31-Dec-2011	31-Mar-2011	31-Dec-2011
		Unaudited	Audited	Unaudited	Audited
1	Net Sales / Income from Operations	3,008	3,574	4,006	15,037
2	Expenditure				
a	Employee benefits expense	1,325	1,465	1,478	5,781
b	Depreciation and Amortisation expense	301	359	321	1,290
c	Operating Expenses	997	1,300	1,277	5,200
	Total Expenditure	2,623	3,124	3,076	12,271
3	Profit from operations before other income, finance costs and exceptional items (1 - 2)	385	450	930	2,766
4	Other Income / (Expense)	114	692	(24)	721
5	Profit from ordinary activities before finance costs and exceptional items (3 + 4)	499	1,142	906	3,487
6	Finance cost	216	245	259	978
7	Profit from ordinary activities after finance costs but before exceptional items (5 - 6)	283	897	647	2,509
8	Exceptional items				
	Provision / write-off of debtors	--	595	--	698
9	Profit from ordinary activities before tax (7 + 8)	283	302	647	1,811
10	Taxes	2	28	5	61
12	Profit after tax (10-11)	281	274	642	1,750
13	Paid-up Equity Share Capital (Rs.10 per share)	4,427	4,427	4,427	4,427
14	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year				16,992
15	Earnings per Share before / after extraordinary items (Rs) (not annualised)				
	Basic	0.64	0.62	1.45	3.95
	Diluted	0.62	0.60	1.45	3.87
PART II - Select information for the quarter ended 31 March 2012					
A PARTICULARS OF SHARE HOLDING					
1	Public Shareholding				
	Number of Shares	41,063,337	41,063,337	41,063,337	41,063,337
	Percentage of shareholding	92.76%	92.76%	92.76%	92.76%
2	Promoters and Promoter Group Shareholding				
a	Pledged / Encumbered				
	Number of Shares	941,870	941,870	1,891,870	941,870
	Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	29.40%	29.40%	59.05%	29.40%
	Percentage of Shares (as a % of the total share capital of the Cor	2.13%	2.13%	4.27%	2.13%
b	Non - encumbered				
	Number of Shares	2,262,086	2,262,086	1,312,086	2,262,086
	Percentage of Shares (as a % of the total shareholding of the Promoter and Promoter group)	70.60%	70.60%	40.95%	70.60%
	Percentage of Shares (as a % of the total share capital of the Cor	5.11%	5.11%	2.96%	5.11%
B INVESTORS COMPLAINTS					
Three Months ended 31 March 2012					
	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 Standalone Unaudited results for the quarter ended 31 March 2012					Rs lakhs	
	Particulars	Quarter ended	Previous Quarter ended	Corresponding quarter ended in the previous	Previous accounting year ended	
		31-Mar-2012	31-Dec-2011	31-Mar-2011	31-Dec-2011	
		Unaudited	Audited	Unaudited	Audited	
1	Net Sales / Income from Operations	1,242	1,220	1,334	5,008	
2	Expenditure					
a	Personnel costs	784	794	836	3,289	
b	Depreciation and Amortisation	84	94	111	409	
c	Operating Expenses	231	197	121	652	
	Total Expenditure	1,099	1,085	1,068	4,350	
3	Profit from operations before other income, finance costs and exceptional items (1-2)	143	135	266	658	
4	Other Income / (Expenses)	110	692	(8)	720	
5	Profit from ordinary activities before finance costs and exceptional items (3 + 4)	253	827	258	1,378	
6	Finance cost	47	50	130	282	
7	Profit from ordinary activities after finance costs but before exceptional items (5 - 6)	206	777	128	1,096	
8	Exceptional Items	--	--	--	--	
	Provision / write-off of debtors	--	383	--	486	
9	Profit from ordinary activities before tax (7 + 8)	206	394	128	610	
11	Taxes	2	25	5	58	
12	Profit after tax (10-11)	204	369	123	552	
13	Paid-up Equity Share Capital (Rs.10 per share)	4,427	4,427	4,427	4,427	
14	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year				12,530	
15	Earnings per Share before / after extraordinary items (Rs) (not annualised)					
	Basic	0.46	0.83	0.28	1.25	
	Diluted	0.45	0.82	0.28	1.22	
PART II - Select information for the quarter ended 31 March 2012						
A	PARTICULARS OF SHARE HOLDING					
1	Public Shareholding					
	Number of Shares	41,063,337	41,063,337	41,063,337	41,063,337	
	Percentage of shareholding	92.76%	92.76%	92.76%	92.76%	
2	Promoters and Promoter Group Shareholding					
a	Pledged / Encumbered					
	Number of Shares	941,870	941,870	1,891,870	941,870	
	Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	29.40%	29.40%	59.05%	29.40%	
	Percentage of Shares (as a % of the total share capital of the Cor	2.13%	2.13%	4.27%	2.13%	
b	Non - encumbered					
	Number of Shares	2,262,086	2,262,086	1,312,086	2,262,086	
	Percentage of Shares (as a % of the total shareholding of the Promoter and Promoter group)	70.60%	70.60%	40.95%	70.60%	
	Percentage of Shares (as a % of the total share capital of the Cor	5.11%	5.11%	2.96%	5.11%	
B	INVESTORS COMPLAINTS					
		Three Months ended 31 March 2012				
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				

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 inter-company accounts are eliminated on
 - 2 Previous period figures have been regrouped, reclassified / rearranged wherever necessary to conform to current period's presentation.
 - 3 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.
 - 4 Other income / (expenses) include Net Exchange gain / (loss) during the period / year.
 - 5 Taxes include current tax and deferred tax.
 - 6 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.
 - 7 These results were taken on record by the Board of Directors at their Meeting held on 8 May 2012 after a review by the Audit Committee of the Company.
 - 8 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
- The following are the particulars of the company (on standalone basis):

		<i>Rs lakhs</i>			
	Particulars	Quarter ended	Previous Quarter ended	Corresponding quarter ended in the previous	Previous accounting year ended
		31-Mar-2012	31-Dec-2011	31-Mar-2011	31-Dec-2011
		Unaudited	Audited	Unaudited	Audited
a	Turnover	1,242	1,220	1,334	5,008
b	Profit / (Loss) before tax	206	394	128	610
c	Profit / (Loss) after tax	204	369	123	552

By Order of the Board
for MEGASOFT LIMITED

GV Kumar
Managing Director

Place: Hyderabad
Date: 8 May 2012

Srikanth & Shanthi Associates

9, Madanagopal St.
Abhiramapuram
Chennai 600 018
Tele/Fax: 91.44.24662419 / 42108419
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 / 42654570
email: tnr500@gmail.com

Chartered Accountants

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

Dear Sirs

Sub: Review Report

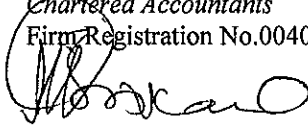
We have reviewed the accompanying statement of unaudited financial results of **Megasoft Limited**, for the 1st quarter ended 31st March 2012 except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management 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.

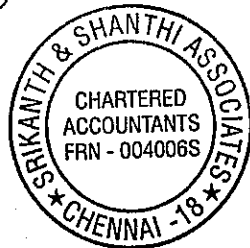
Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information 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



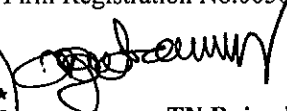
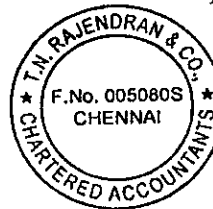
MC Srikanth
Partner
Membership No.18588



Place: Hyderabad
Date: 8 May 2012

for **TN Rajendran & Co.**

Chartered Accountants
Firm Registration No.005080S



TN Rajendran
Partner
Membership No.28778