

MEGASOFT LIMITED

No.85, Kutcheri Road, Mylapore, Chennai 600004



Unaudited Consolidated Financial Results for the 2nd Quarter and half year ended 30 June 2011

Rs Lakhs

	Particulars	Quarter ended		Half year ended		Previous accounting year ended
		30-Jun-2011	30-Jun-2010	30-Jun-2011	30-Jun-2010	31-Dec-2010
		Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Net Sales / Income from Operations	4,013	4,219	8,019	8,145	16,791
2	Expenditure					
a	Personnel costs	1,447	1,464	2,925	2,610	5,425
b	Operating Expenses	1,339	1,463	2,616	2,959	6,021
	Total Expenditure	2,786	2,927	5,541	5,569	11,446
3	Operating Profit before Interest and Depreciation (1-2)	1,227	1,292	2,478	2,576	5,345
4	Depreciation and Amortisation	312	395	633	787	1,434
5	Operating Profit before Interest (3-4)	915	897	1,845	1,789	3,911
6	Finance cost	261	417	520	846	1,515
7	Operating Profit / (Loss) after Interest and Depreciation (5-6)	654	480	1,325	943	2,396
8	Other Income / (Expense)	(7)	88	(31)	(1)	139
9	Provision / write-off of debtors	103	-	103	-	391
10	Profit / (Loss) before tax (7+8-9)	544	568	1,191	942	2,344
11	Taxes	13	49	18	6	(27)
12	Profit / (Loss) after tax (10-11)	531	519	1,173	936	2,171
15	Paid-up Equity Share Capital (Rs.10 per share)	4,427	4,427	4,427	4,427	4,427
16	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year					16,294
17	Earnings per Share before extraordinary items for the period, for the year to date and for the previous year (Rs) (not annualised)					
	Basic	1.20	1.18	2.65	2.12	4.90
	Diluted	1.20	1.15	2.65	2.07	4.90
18	Public Shareholding					
	Number of Shares			41,063,337	41,063,337	41,063,337
	Percentage of shareholding			92.76%	92.76%	92.76%
17	Promoters and Promoter Group Shareholding					
a	Pledged / Encumbered					
	Number of Shares	941,870	2,000,000	941,870	2,000,000	1,971,870
	Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	29.40%	62.42%	29.40%	62.42%	61.54%
	Percentage of Shares (as a % of the total share capital of the Company)	2.13%	4.52%	2.13%	4.52%	4.45%
b	Non - encumbered					
	Number of Shares	2,262,086	1,203,956	2,262,086	1,203,956	1,232,086
	Percentage of Shares (as a % of the total shareholding of the Promoter and Promoter group)	70.60%	37.58%	70.60%	37.58%	38.46%
	Percentage of Shares (as a % of the total share capital of the Company)	5.11%	2.72%	5.11%	2.72%	2.78%

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Rs lakhs

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		30-Jun-2011	30-Jun-2010	30-Jun-2011	30-Jun-2010	31-Dec-2010
		Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Net Sales / Income from Operations	1,311	1,442	2,645	2,995	6,239
2	Expenditure					
a	Personnel costs	848	598	1,684	1,120	2,977
b	Operating Expenses	172	306	293	446	855
	Total Expenditure	1,020	904	1,977	1,566	3,832
3	Operating Profit before Interest and Depreciation (1-2)	291	538	668	1,429	2,407
4	Depreciation and Amortisation	106	129	217	268	567
5	Operating Profit / (Loss) before Interest (3-4)	185	409	451	1,161	1,840
6	Finance cost	39	152	169	365	702
7	Operating Profit / (Loss) after Interest and Depreciation (5-6)	146	257	282	796	1,138
8	Other Income / (Expenses)	(7)	59	(15)	(387)	(245)
9	Exceptional items	103	-	103	-	391
10	Profit / (Loss) before tax (7+8-9)	36	316	164	409	502
10	Taxes	13	49	18	5	(28)
12	Profit / (Loss) after tax (10-11)	23	267	146	404	530
15	Paid-up Equity Share Capital (Rs.10 per share)	4,427	4,427	4,427	4,427	4,427
16	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year					11,978
17	Earnings per Share before extraordinary items for the period, for the year to date and for the previous year (Rs) (not annualised)					
	Basic	0.06	0.60	0.33	0.91	1.20
	Diluted	0.06	0.59	0.33	0.89	1.20
18	Aggregate of public shareholding					
	Number of Shares			41,063,337	41,063,337	41,063,337
	Percentage of holding (to total holding)			92.76%	92.76%	92.76%
17	Promoters and Promoter Group Shareholding					
a	Pledged / Encumbered					
	Number of Shares	941,870	2,000,000	941,870	2,000,000	1,971,870
	Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	29.40%	62.42%	29.40%	62.42%	61.54%
	Percentage of Shares (as a % of the total share capital of the Company)	2.13%	4.52%	2.13%	4.52%	4.45%
b	Non - encumbered					
	Number of Shares	2,262,086	1,203,956	2,262,086	1,203,956	1,232,086
	Percentage of Shares (as a % of the total shareholding of the Promoter and Promoter group)	70.60%	37.58%	70.60%	37.58%	38.46%
	Percentage of Shares (as a % of the total share capital of the Company)	5.11%	2.72%	5.11%	2.72%	2.78%

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Balance Sheet as at 30 June 2011

Rs lakhs

Particulars	Standalone			Consolidated		
	30-Jun-2011	30-Jun-2010	31-Dec-2010	30-Jun-2011	30-Jun-2010	31-Dec-2010
	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Audited
SOURCES OF FUNDS						
Shareholders' Funds						
Capital	4,427	4,427	4,427	4,427	4,427	4,427
Reserves & Surplus	12,124	15,521	11,978	17,469	18,726	16,294
Loan Funds	1,684	4,250	1,700	8,697	17,812	8,721
Deferred tax liabilities (net)	20	--	42	20	--	42
Total	18,255	24,198	18,147	30,613	40,965	29,484
APPLICATION OF FUNDS						
Fixed Assets	5,435	12,596	5,548	10,514	17,459	9,953
Goodwill on consolidation	--	--	--	10,158	10,158	10,158
Investments	1,302	1,302	1,302	1,212	1,212	1,212
Deferred tax asset (net)	--	262	--	--	262	--
Current Assets, Loans & Advances						
Sundry Debtors	4,330	5,988	3,931	5,340	6,887	4,950
Cash & Bank balances	420	889	152	870	2,455	799
Loans & Advances	7,779	4,929	8,369	4,906	6,616	4,893
	12,529	11,806	12,452	11,116	15,958	10,642
Less: Current Liabilities & Provisions						
Current Liabilities	539	794	730	1,893	3,088	2,032
Provisions	472	974	425	494	996	449
	1,011	1,768	1,155	2,387	4,084	2,481
Net Current Assets	11,518	10,038	11,297	8,729	11,874	8,161
Miscellaneous Expenditure (to the extent not written-off or adjusted)	--	--	--	--	--	--
Total	18,255	24,198	18,147	30,613	40,965	29,484

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**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 consolidation.
- 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 Provision for current taxation has been made in accordance with Section 115JB of the Income Tax Act, 1961.
- 7 No investor complaints were pending either at the beginning or at the end of the quarter. Two complaints were received and resolved during the quarter.
- 8 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.
- 9 These results were taken on record by the Board of Directors at their Meeting held on 3 August 2011 after a review by the Audit Committee of the Company.
- 10 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
- 11 The following are the particulars of the company (on standalone basis):

	Particulars	Quarter ended		Half year ended		Previous accounting year ended
		30-Jun-2011	30-Jun-2010	30-Jun-2011	30-Jun-2010	31-Dec-2010
		Unaudited	Unaudited	Unaudited	Unaudited	Audited
a	Turnover	1,311	1,442	2,645	2,995	6,239
b	Profit / (Loss) before tax	36	316	164	409	502
c	Profit / (Loss) after tax	23	267	146	404	530

By Order of the Board
for MEGASOFT LIMITED


GV Kumar
Managing Director

Place: Hyderabad
Date: 3 August 2011