



MEGASOFT LIMITED

CIN : L72200TN1999PLC042730

Block "A" Wing 1, Level 5 & 6, Cyber Gateway

Madhapur, Hyderabad - 500081

Telangana, India.

Tel +91 (40) 4033 0000; Fax : +91 (40) 4013 3555

website : www.megasoft.com

19 October 2016

BSE Limited

Phiroze JeeJee Bhoy Towers

Dalal Street, Fort

Mumbai 400001

National Stock Exchange of India Limited

Exchange Plaza

Bandra-Kurla Complex, Bandra(E)

Mumbai 400051

Scrip Code: 532408

Symbol: MEGASOFT

Dear Sirs

We attach the Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2016 of the Company in terms of Regulation 33/52 of the SEBI (LODR) (Amendment) Regulations, 2016.

Kindly take information on records & Oblige.

Thanking you

Very truly yours
MEGASOFT LIMITED


Rakhee Jain

Company Secretary & Compliance Officer





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STATEMENT ON IMPACT OF AUDIT QUALIFICATIONS FOR THE FINANCIAL YEAR ENDED MARCH 31, 2016

[See Regulation 33/52 of the SEBI (LODR) (Amendment) Regulations, 2016]

In Rs

I. Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2016					
S. No	Particulars	Standalone		Consolidated	
		Audited Figures (before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)	Audited Figures (before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
1	Turnover / Total income	30,89,12,541.00	30,89,12,541.00	66,49,84,819.00	66,49,84,819.00
2	Total Expenditure	30,46,96,998.00	30,46,96,998.00	65,20,03,462.00	65,20,03,462.00
3	Net Profit/(Loss)	42,15,543.00	42,15,543.00	1,29,81,357.00	1,29,81,357.00
4	Earnings Per Share (Rs.)	0.10	0.10	0.30	0.30
5	Total Assets	2,09,80,94,074.00	1,81,78,82,910.00	3,09,93,61,242.00	2,81,91,50,078.00
6	Total Liabilities	2,09,80,94,074.00	1,81,78,82,910.00	3,09,93,61,242.00	2,81,91,50,078.00
7	Net Worth	1,73,19,63,718.26	1,45,17,52,554.26	54,30,55,368.00	26,28,44,204.00
8	Any other financial item(s) (as felt appropriate by the management)				

II. AUDIT QUALIFICATION (EACH AUDIT QUALIFICATION SEPARATELY):

a. Details of Audit Qualification:

In respect of Bad debts written off amounting to **Rs. 28,02,11,164/-** these have not been debited to the statement of profit & loss and have been directly adjusted against the opening general reserves which in our opinion is not in accordance with Accounting Standard " 5 Net Profit or loss for the period, prior period items and changes in accounting policies." Accordingly the statement of a profit & loss is been affected.

b. Type of Audit Qualification: Qualified Opinion

c. Frequency of Qualification: First time





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85, Kutchery Road, Mylapore
Chennai - 600 004.

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d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:

a) As the subject bad debts in question were pertaining to very old period and having no chances of recovery, being not related to the said financial year under consideration, have been adjusted directly against the profits generated in earlier years.

e. For Audit Qualification(s) where the impact is not quantified by the auditor: NIL

(i) Management's estimation on the impact of audit qualification: NA

(ii) If management is unable to estimate the impact, reasons for the same: NA

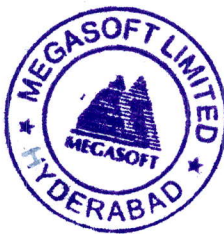
(iii) Auditors' Comments on (i) or (ii) above: NA

Anil Kumar Sood
Chairman - Audit/Risk &
Compliance Committee

GV Kumar
CEO/Managing Director

For Megasoft Limited

Shridhar Thathachary
Chief Financial Officer



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

TN Rajendran
Partner
Membership No.028778

Place: Chennai

Date: 26TH September 2016