

14th November, 2016

To The Secretary Bombay Stock Exchange Limited Phiroze Jee Jee Bhoy Towers Dalal Street, Mumbai 400 001	To The Manager, National Stock Exchange of India Limited, Exchange Plaza, Bandra Kurla Complex, Bandra (East),Mumbai – 400 051
--	--

Sir,

SUB: OUTCOME OF BOARD MEETING

This is to inform that at the Meeting of the Board of Directors of the Company held on Monday, at 11:00 AM, November 14, 2016 at the Registered Office of the Company, the Board of Director approved the Un-Audited Standalone and Consolidated Financials for the quarter and Half year ended 30th September, 2016. : **MEETING ENDS ON 18:00 HRS**

Yours faithfully,
For **Zylog Systems Limited**

Dilip R Misser
21/11/16

Authorised Representative
(Dilip R Misser)





CHARTERED ACCOUNTANT

T.R. Sarathy

Chartered Accountant

6, Sapthagiri Colony,

Ashok Nagar,

Chennai 600 083.

Ph: 9381735153

Email: sarathy20260@gmail.com

Limited Review Report

Review Report to the Board of Directors of Zylog Systems Limited

1. We have reviewed the accompanying statement of unaudited Consolidated Financial results of M/s. Zylog Systems Limited ("the Company") and its subsidiaries (together the Group) for the half year ended 30th September 2016, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2016, except for the disclosures regarding 'Public Shareholding', 'Promoter and Promoter Group Share Holding' 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. Our responsibility is to issue a report on these financial statements based on our review.

2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, Engagements to Review of Interim Financial Information Performed by the Independent Auditor of the Entity 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 an 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.

3. To the extent stated in paragraph 3(a) stated below. We did not review the consolidated financial results of certain component entities that comprise the Group and are included in the accompanying unaudited consolidated financial results.

We did not review the statement of the unaudited financial results of all subsidiaries and one branch, whose unaudited half yearly financial results reflect to the total revenue of Rs. 99.70 crs for the Half year ended 30th September 2016. These financial statements and other financial information have not been audited by us and we relied upon the financial statements furnished to us and our opinion on the combined financial statements to the extent is based on the Financial Statements given to us.

4. 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 recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

Place: Chennai
Date: 14th Nov 2016

T. R. Sarathy
Chartered Accountant
Membership No: 025982



Statement of Standalone Unaudited Financials Results for the Half Year Ended 30th September 2016							
Rs. In Lakhs							
Sl No.	Particulars	Quarter Ended			Half year Ended		Year Ended
		Sep 30,2016 (Unaudited)	June 30,2016 (Unaudited)	Sep 30,2015 (Unaudited)	Sep 30,2016 (Unaudited)	Sep 30,2015 (Unaudited)	March 31,2016 (Audited)
1	Income from operations						
	(a) Net sales/income from operations	4,212.23	2,658.94	3,057.63	6,871.17	6,252.98	13,940.84
	(b) Other operating income	-	-	-	-	-	-
	Total income from operations (net)	4,212.23	2,658.94	3,057.63	6,871.17	6,252.98	13,940.84
2	Expenses						
	(a) Employee benefits expense	2,787.11	2,085.51	2,474.12	4,872.62	4,877.31	9,646.28
	(b) Other expenses	937.13	709.24	863.80	1,646.37	1,406.76	8,291.50
	(c) Depreciation and amortisation expense+	59.01	207.68	(2,460.80)	266.69	339.65	948.64
	Total expenses	3,783.25	3,002.43	877.12	6,785.68	6,623.72	18,886.43
3	Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	428.98	(343.49)	2,180.50	85.49	(370.74)	(4,945.58)
4	Other income	132.41	0.18	(46.91)	132.59	8.04	272.05
5	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3 + 4)	561.39	(343.31)	2,133.60	218.08	(362.70)	(4,673.53)
6	Finance costs	5.78	3.78	4.00	9.56	23.59	49.83
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 - 6)	555.60	(347.08)	2,129.60	208.52	(386.29)	(4,723.36)
8	Exceptional items	0.99	2.36	(1,152.79)	3.35	4,458.01	12,076.23
9	Profit / (Loss) from ordinary activities before tax (7 - 8)	554.61	(349.44)	3,282.40	205.17	(4,844.29)	(16,799.60)
10	Tax expense	74.17	45.08	(259.13)	119.25	(2,028.96)	(1,455.38)
11	Net Profit / (Loss) from ordinary activities after tax (9 - 10)	480.45	(394.53)	3,541.53	85.92	(2,815.34)	(15,344.22)
12	Extraordinary items	-	-	-	-	-	-
13	Net Profit / (Loss) for the period (11 - 12)	480.45	(394.53)	3,541.53	85.92	(2,815.34)	(15,344.22)
14	Share of profit / (loss) of associates	-	-	-	-	-	-
15	Net Profit / (Loss) after taxes and share of profit / (loss) of associates (13 + 14)	480.45	(394.53)	3,541.53	85.92	(2,815.34)	(15,344.22)
16	Paid-up equity share capital (Face Value of the Share shall be indicated)	2,949.64	2,949.64	2,949.64	2,949.64	2,949.64	2,949.64
17	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year	(88,305.98)	(88,786.42)	(75,863.02)	(88,305.98)	(75,863.02)	(88,391.90)
18.i	Earnings per share (before extraordinary items) (of Rs. 5/- each) (not annualised):						
	(a) Basic	0.81	(0.67)	6.00	0.15	(4.77)	(26.01)
	(b) Diluted	0.81	(0.67)	6.00	0.15	(4.77)	(26.01)
18.ii	Earnings per share (after extraordinary items) (of Rs. 5/- each) (not annualised):						
	(a) Basic	0.81	(0.67)	6.00	0.15	(4.77)	(26.01)
	(b) Diluted	0.81	(0.67)	6.00	0.15	(4.77)	(26.01)

Notes :

- The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its Meeting held on 14-Nov-16.
- The company has not made provisions for interest for all the borrowings since the company could not obtain the confirmation of balance from the lenders.
- The Company has unpaid Statutory dues pertaining to the period the company was under the erstwhile management. Presently the company has commenced the payment of current statutory dues in a phased manner.
- Previous period figures are regrouped / reclassified, to confirm to the current period classification.

For Zylog Systems Limited



Hon'ble Justice Mr. S. Rajeswaran (Retd)
Administrator

Place : Chennai
Date : 14-Nov-16

PART II							
Statement of Standalone Unaudited Financials Results for the Half Year Ended 30th September 2016							
Sl No.	Particulars	Quarter Ended			Half year Ended		Year Ended
		Sep 30,2016 (Unaudited)	June 30,2016 (Unaudited)	Sep 30,2015 (Unaudited)	Sep 30,2016 (Unaudited)	Sep 30,2015 (Unaudited)	March 31,2016 (Audited)
A	PARTICULARS OF SHAREHOLDING						
1	Public shareholding:						
	Number of shares	57,335,955	57,335,955	57,335,955	57,335,955	57,335,955	57,335,955
	Percentage of shareholding	97.19	97.19	97.19	97.19	97.19	97.19
2	Promoters and Promoter Group Shareholding						
	a) Pledged / Encumbered						
	Number of shares	1,356,737	1,356,737	1,356,737	1,356,737	1,356,737	1,356,737
	Percentage of shares (as a % of the total shareholding of promoter and promoter group)	81.88	81.88	81.88	81.88	81.88	81.88
	Percentage of shares (as a % of the total share capital of the company)	2.30	2.30	2.30	2.30	2.30	2.30
	b) Non - encumbered						
	Number of shares	300,148	300,148	300,148	300,148	300,148	300,148
	Percentage of shares (as a % of the total shareholding of the Promoter and Promoter group)	18.11	18.11	18.11	18.11	18.11	18.11
	Percentage of shares (as a % of the total share capital of the company)	0.51	0.51	0.51	0.51	0.51	0.51

B	Particulars	30th Sep 2016
	INVESTOR COMPLAINTS	
	Pending at the beginning of the quarter	42
	Received during the quarter	0
	Disposed of during the quarter	0
	Remaining unresolved at the end of the quarter	42

Place Chennai
Date : 14-Nov-16

For Zylog Systems Limited



Hon' ble Justice Mr. S. Rajeswaran (Retd)
Administrator

Rs.in lakhs

Standalone statement of assets and liabilities			
	Particulars	Year Ended	
		Sep 30, 2016	Mar 31, 2016
A	EQUITY AND LIABILITIES		
1	Shareholders' funds		
	(a) Share capital	2,949.64	2,949.64
	(b) Reserves and surplus	(88,305.98)	(88,391.90)
	Sub-total - Shareholders' funds	(85,356.34)	(85,442.26)
2	Non-current liabilities		
	(a) Long-term borrowings	3,059.94	3,059.95
	(b) Deferred tax liabilities (net)	59.63	-
	(c) Long-term provisions	-	-
	(d) Other Non-Current liabilities	-	-
	Sub-total - Non-current liabilities	3,119.57	3,059.95
4	Current liabilities		
	(a) Short-term borrowings	88,178.91	88,049.35
	(b) Trade payables	1,252.41	1,381.18
	(c) Short-term provisions	-	-
	(d) Other Current Liabilities	4,759.46	4,808.90
	Sub-total - Current liabilities	94,190.78	94,239.42
	TOTAL - EQUITY AND LIABILITIES	11,954.01	11,857.11
B	ASSETS		
1	Non-current assets		
	(a) Fixed assets	3,699.34	3,964.74
	(b) Goodwill on consolidation	-	-
	(c) Non-current investments	1,924.35	1,924.36
	(d) Deferred tax assets (net)	-	35.68
	(e) Long-term loans and advances	252.98	252.10
	(f) Other non-current assets	540.11	539.79
	Sub-total - Non-current assets	6,416.78	6,716.67
2	Current assets		
	(a) Current investments	0.71	0.71
	(b) Inventories	28.94	28.94
	(c) Trade receivables	3,486.88	3,320.66
	(d) Cash and cash equivalents	288.63	381.54
	(e) Short-term loans and advances	1,732.06	1,290.62
	(f) Other current assets	-	117.96
	Sub-total - Current assets	5,537.22	5,140.44
	TOTAL - ASSETS	11,954.01	11,857.11

Rs. in Lakhs except per share data

Statement of Consolidated Financial Results for the Quarter and Half year ended Sep 30, 2016							
Sl No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		Sep 30, 2016	Jun 30, 2016	Sep 30, 2015	Sep 30, 2016	Sep 30, 2015	Mar 31, 2016
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Income from operations						
	(a) Net sales/income from operations	6,051.49	4,668.84	5,330.75	10,720.33	10,892.99	22,880.02
	(b) Other operating income	0.00	0.00	0.00	0.00	0.00	0.00
	Total income from operations (net)	6,051.49	4,668.84	5,330.75	10,720.33	10,892.99	22,880.02
2	Expenses						
	(a) Employee benefits expense	4,471.90	3,836.14	4,334.34	8,308.04	8,787.11	16,657.41
	(b) Other expenses	1,213.87	998.19	820.71	2,212.06	1,554.16	6,270.16
	(c) Depreciation and amortisation expense	111.52	265.39	-2,124.24	376.91	993.01	1,655.73
	Total expenses	5,797.29	5,099.72	3,030.81	10,897.01	11,334.28	24,583.30
3	Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	254.20	-430.88	2,299.94	-176.68	-441.29	-1,703.28
4	Other income	133.48	7.09	203.51	140.57	363.64	301.39
5	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3 + 4)	387.68	-423.79	2,503.45	-36.11	-77.65	-1,401.89
6	Finance costs	5.78	3.78	3.99	9.56	23.59	49.83
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 - 6)	381.90	-427.57	2,499.46	-45.67	-101.24	-1,451.72
8	Exceptional items	-12.34	-9.89	11,450.54	-22.23	17,406.71	20,660.84
9	Profit / (Loss) from ordinary activities before tax (7 - 8)	394.24	-417.68	-8,951.08	-23.44	-17,507.95	-22,112.56
10	Tax expense	88.76	57.73	-1,429.91	146.49	-3,288.49	-2,608.04
11	Net Profit / (Loss) from ordinary activities after tax (9 - 10)	305.48	-475.41	-7,521.17	-169.93	-14,219.46	-19,504.52
12	Extraordinary items (net of tax expense)	0.00	0.00	0.00	0.00	0.00	0.00
13	Net Profit / (Loss) for the period (11 - 12)	305.48	-475.41	-7,521.17	-169.93	-14,219.46	-19,504.52
14	Share of profit / (loss) of associates	0.00	0.00	0.00	0.00	0.00	0.00
15	Net Profit / (Loss) after taxes, minority interest and share of profit / (loss) of associates (13 + 14)	305.48	-475.41	-7,521.17	-169.93	-14,219.46	-19,504.52
16	Paid-up equity share capital (Face Value of Rs. 5/- each)	2,949.64	2,949.64	2,949.64	2,949.64	2,949.64	2,949.64
17	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year	-98,398.49	-98,641.83	-93,749.84	-98,398.49	-93,749.84	-98,240.87
18.i	Earnings per share (before extraordinary items) (of Rs. 5/- each) (not annualised):						
	(a) Basic	0.52	-0.81	-12.75	-0.29	-24.10	-33.06
	(b) Diluted	0.52	-0.81	-12.75	-0.29	-24.10	-33.06
18.ii	Earnings per share (after extraordinary items) (of Rs.5/- each) (not annualised):						
	(a) Basic	0.52	-0.81	-12.75	-0.29	-24.10	-33.06
	(b) Diluted	0.52	-0.81	-12.75	-0.29	-24.10	-33.06

Notes :

- The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its Meeting held on 14-Nov-16.
- The company has not made provisions for interest for all the borrowings since the company could not obtain the confirmation of balance from the lenders.
- The Company has unpaid Statutory dues during the period the company was under the erstwhile management. Presently the company has commenced the payment of current statutory dues in a phased manner.
- The Company is engaged primarily in the business of Exports of Software and IT related services and hence there is no separate reportable segment as per Accounting Standard (AS:17 Segment Reporting).
- Previous period figures are regrouped / reclassified, to confirm to the current period classification

For Zylog Systems Limited


 Hon'ble Justice Mr. S. Rajeswaran (Retd.)
 Administrator

 Place : Chennai
 Date : 14-Nov-16

Select Information for the Quarter and Half year ended Sep 30, 2016							
Sl No	Particulars	Quarter Ended			Half Year Ended		Year Ended
		Sep 30, 2016	Jun 30, 2016	Sep 30, 2015	Sep 30, 2016	Sep 30, 2015	Mar 31, 2016
A	PARTICULARS OF SHAREHOLDING						
1	Public shareholding:						
	Number of shares	57,335,955	57,335,955	57,335,955	57,335,955	57,335,955	57,335,955
	Percentage of shareholding	97.19	97.19	97.19	97.19	97.19	97.19
2	Promoters and Promoter Group Shareholding						
	a) Pledged / Encumbered						
	Number of shares	1,356,737	1,356,737	1,356,737	1,356,737	1,356,737	1,356,737
	Percentage of shares (as a % of the total shareholding of promoter and promoter group)	81.88	81.88	81.88	81.88	81.88	81.88
	Percentage of shares (as a % of the total share capital of the company)	2.30	2.30	2.30	2.30	2.30	2.30
	b) Non - encumbered						
	Number of shares	300,148	300,148	300,148	300,148	300,148	300,148
	Percentage of shares (as a % of the total shareholding of the Promoter and Promoter group)	18.11	18.11	18.11	18.11	18.11	18.11
	Percentage of shares (as a % of the total share capital of the company)	0.51	0.51	0.51	0.51	0.51	0.51

B	Particulars	30-Sep-16
	INVESTOR COMPLAINTS:	
	Pending at the beginning of the quarter	42
	Received during the quarter	0
	Disposed of during the quarter	0
	Remaining unresolved at the end of the quarter	42

Notes :

- The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its Meeting held on 14-Nov-16
- The Company is engaged primarily in the business of Exports of Software and IT related services and hence there is no separate reportable segment as per Accounting Standard (AS:17 Segment Reporting).
- The above financial results for the quarter and half year ended 30 Sep 2016 under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- Previous period figures are regrouped / reclassified, to confirm to the current period classification

Statement of Standalone Financials		Quarter Ended			Half Year Ended		Year Ended
		Sep 30, 2016	Jun 30, 2016	Sep 30, 2015	Sep 30, 2016	Sep 30, 2015	Mar 31, 2016
Particulars		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Income (Net Sales)		4,212.23	2,658.94	3,057.63	6,871.17	6,252.98	13,940.84
Profit before tax		554.61	(349.44)	3,282.40	205.17	(4,844.29)	(16,799.60)
Profit after tax		480.45	(394.53)	3,541.53	85.92	(2,815.34)	(15,344.22)

For Zylog Systems Limited



Hon'ble Justice Mr. S. Rajeswaran (Retd.)
Administrator

Place : Chennai
Date : 14-Nov-16

₹ in Lakhs

Consolidated Statement of Assets and Liabilities for the period ended			
	Particulars	Sep 30, 2016	Mar 31, 2016
		(Unaudited)	(Audited)
A	EQUITY AND LIABILITIES		
1	Shareholders' funds		
	(a) Share capital	2,949.64	2,949.64
	(b) Reserves and surplus	-98,398.49	-98,240.87
	Sub-total - Shareholders' funds	-95,448.85	-95,291.23
2	Non-current liabilities		
	(a) Long-term borrowings	3,059.94	3,059.94
	(b) Deferred tax liabilities (net)	0.00	0.00
	(c) Other long-term liabilities	0.00	0.00
	(d) Long-term provisions	426.03	426.03
	(e) Other non current liabilities	0.00	0.00
	Sub-total - Non-current liabilities	3,485.97	3,485.97
3	Current liabilities		
	(a) Short-term borrowings	98,302.66	98,343.98
	(b) Trade payables	2,312.87	2,377.96
	(c) Other current liabilities	8,291.72	8,330.45
	(d) Short-term provisions	332.13	307.42
	Sub-total - Current liabilities	109,239.38	109,359.81
	TOTAL - EQUITY AND LIABILITIES	17,276.50	17,554.55
B	ASSETS		
1	Non-current assets		
	(a) Fixed assets	4,249.39	4,543.56
	(b) Non-current investments	1,398.75	1,404.60
	(c) Deferred tax assets (net)	1,229.19	1,323.86
	(d) Long-term loans and advances	359.69	358.88
	(e) Other non-current assets	540.11	539.79
	Sub-total - Non-current assets	7,777.13	8,170.68
2	Current assets		
	(a) Current investments	0.71	0.71
	(b) Inventories	28.94	45.39
	(c) Trade receivables	7,304.45	6,603.14
	(d) Cash and cash equivalents	1,496.27	2,360.47
	(e) Short-term loans and advances	531.21	105.67
	(f) Other current assets	137.79	268.50
	Sub-total - Current assets	9,499.37	9,383.88
	TOTAL - ASSETS	17,276.50	17,554.55