

(₹ in Lakhs except per share data)

Statement of Consolidated Unaudited Financial Results for the Quarter and Nine Months Ended December 31, 2014

Sl. No.	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31-Dec-14	30-Sep-14	31-Dec-13	31-Dec-14	31-Dec-13	31-Mar-14
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income from operations						
	(a) Net sales/income from operations	6,273.30	6,801.38	45,211.74	35,288.37	149,194.90	172,900.39
	(b) Other operating income	-	-	-	-	-	-
	Total income from operations (net)	6,273.30	6,801.38	45,211.74	35,288.37	149,194.90	172,900.39
2	Expenses						
	(a) Employee benefits expense	5,336.09	5,968.06	41,441.58	30,043.27	129,322.42	154,304.64
	(b) Other expenses	17,657.73	18,789.51	11,900.88	41,531.46	34,344.04	52,490.92
	(c) Depreciation and amortisation expenses	4,355.54	4,368.34	7,021.81	13,081.79	20,467.26	25,784.94
	Total expenses	27,349.37	29,125.91	60,364.27	84,656.53	184,133.72	232,580.50
3	Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	(21,076.07)	(22,324.53)	(15,152.53)	(49,368.16)	(34,938.82)	(59,680.11)
4	Other income	1,792.90	1,029.38	(1,991.34)	3,101.85	11,060.21	9,754.32
5	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3 + 4)	(19,283.17)	(21,295.15)	(17,143.87)	(46,266.31)	(23,878.61)	(49,925.79)
6	Finance costs	998.93	0.30	1,048.18	1,371.78	4,343.28	5,214.66
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 - 6)	(20,282.10)	(21,295.45)	(18,192.05)	(47,638.09)	(28,221.89)	(55,140.45)
8	Exceptional items	-	-	-	-	-	(117.79)
9	Profit / (Loss) from ordinary activities before Tax (7 - 8)	(20,282.10)	(21,295.45)	(18,192.05)	(47,638.09)	(28,221.89)	(55,022.66)
10	Tax expense	(532.60)	(156.18)	1,312.96	(927.18)	(804.88)	893.95
11	Net Profit / (Loss) from ordinary activities after tax (9 - 10)	(19,749.50)	(21,139.27)	(19,505.01)	(46,710.91)	(27,417.01)	(55,916.62)
12	Extraordinary items (net of tax expense)	-	-	28.81	-	(77.70)	-
13	Net Profit / (Loss) for the period (11 - 12)	(19,749.50)	(21,139.27)	(19,533.82)	(46,710.91)	(27,339.31)	(55,916.62)
14	Share of profit / (loss) of associates	-	-	-	-	-	-
15	Net Profit / (Loss) for the period (13 + 14)	(19,749.50)	(21,139.27)	(19,533.82)	(46,710.91)	(27,339.31)	(55,916.62)
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	(4,014.74)	15,478.55	79,349.06	(4,014.74)	79,349.06	38,159.61
18.i	Earnings per share (before extraordinary items) (of ₹5/- each) (not annualised):						
	(a) Basic	(33.48)	(35.83)	(33.11)	(79.18)	(46.34)	(94.79)
	(b) Diluted	(33.48)	(35.83)	(33.11)	(79.18)	(46.34)	(94.79)
18.ii	Earnings per share (after extraordinary items) (of ₹5/- each) (not annualised):						
	(a) Basic	(33.48)	(35.83)	(33.11)	(79.18)	(46.34)	(94.79)
	(b) Diluted	(33.48)	(35.83)	(33.11)	(79.18)	(46.34)	(94.79)

(₹ in Lakhs except per share data)

Select Information for the Quarter ended December 31, 2014							
Sl No	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31-Dec-14	30-Sep-14	31-Dec-13	31-Dec-14	31-Dec-13	31-Mar-14
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
A	PARTICULARS OF SHAREHOLDING						
1	Public shareholding:						
	Number of shares	5,73,35,955	5,73,35,955	5,66,82,823	5,73,35,955	5,66,82,823	5,73,35,955
	Percentage of shareholding	97.19	97.19	96.08	97.19	96.08	97.19
2	Promoters and Promoter Group Shareholding						
	a) Pledged / Encumbered						
	Number of shares	13,56,737	13,56,737	20,09,869	13,56,737	20,09,869	13,56,737
	Percentage of shares (as a % of the total shareholding of promoter and promoter group)	81.88	81.88	87.01	81.88	87.01	81.88
	Percentage of shares (as a % of the total share capital of the company)	2.30	2.30	3.41	2.30	3.41	2.30
	b) Non - encumbered						
	Number of shares	3,00,148	3,00,148	3,00,148	3,00,148	3,00,148	3,00,148
	Percentage of shares (as a % of the total shareholding of the Promoter and Promoter group)	18.11	18.11	12.99	18.11	12.99	18.11
	Percentage of shares (as a % of the total share capital of the company)	0.51	0.51	0.50	0.51	0.50	0.51

B	Particulars	31-Dec-14
	INVESTOR COMPLAINTS	
	Pending at the beginning of the quarter	35
	Received during the quarter	3
	Disposed of during the quarter	0
	Remaining unresolved at the end of the quarter	38

Notes:

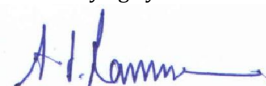
- The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its Meeting held on 12-Feb-2015.
- During the current quarter provision on doubtful debts on debtors to the tune of ₹ 167.22 crores provided to P& L account.
- The Company is engaged primarily in the 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).
- Prior period figures are regrouped / reclassified, to confirm to the current period classification

₹ in Lakhs

5	Statement of Standalone Financials	Quarter Ended			Nine Months Ended		Year Ended
		31-Dec-14	30-Sep-14	31-Dec-13	31-Dec-14	31-Dec-13	31-Mar-14
	Particulars	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
	Income (Net Sales)	3,213.72	4,434.25	28,737.46	27,693.39	94,505.97	108,832.02
	Profit before tax	(19,540.24)	(21,314.44)	(14,264.47)	(46,584.98)	(22,742.85)	(42,381.40)
	Profit after tax	(18,972.53)	(21,157.59)	(15,375.02)	(45,596.67)	(22,200.07)	(43,791.04)

- The financial results of the company are available on its website www.zsl.com or the website of BSE www.bseindia.com or NSE www.nse-india.com

For Zylog Systems Limited

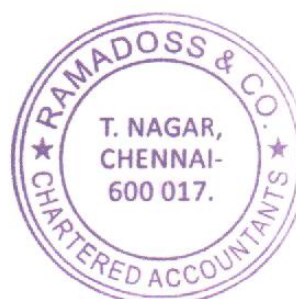


 Ramanujam Sesharathnam
 Managing Director

 Place: Chennai
 Date: Feb 12, 2015

**Limited Review Report**Review Report to the Board of Directors of **Zylog Systems Limited**

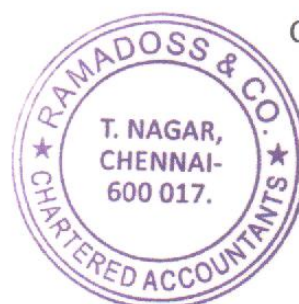
1. We have reviewed the accompanying statement of unaudited Consolidated Financial results of **M/s. Zylog Systems Limited** ("the Company") and its subsidiaries and associates (together the Group) for the quarter ended 31st December 2014, being submitted by the company pursuant to the requirement of clause 41 of the Listing agreement, 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) and 3(b) stated below We, M/s. Ramadoss & Co. 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.
 - a. We did not review the statement of unaudited financial results of certain subsidiaries, whose unaudited quarterly financial results reflect total revenue of Rs. 2,114.45 lakhs for the quarter ended 31st December 2014. These unaudited financial results and other financial information for the subsidiaries have been reviewed by the other auditors whose reports have been furnished to us, and our opinion on the quarterly financial results based solely on the reports of the other auditors.
 - b. The enclosed financial statement does not include one of the subsidiaries, Zylog (Canada) since we have been informed that they have not received the accounts from them and hence necessary adjustments have been made in the accounts.





- c. The comments/qualifications in the Auditors report for the year ended 31st March 2014 has not been partly rectified or satisfied to us till date by the company.
 - d. Advances include Rs. 188 lakhs receivable from Mr. Sudarshan Venkatraman, Ex-Director and Chairman of the Company.
 - e. The company has provided for Rs. 34,795.95 Lakhs as doubtful debts, being debts over a period of one year.
4. Based on our review conducted as above and on the consideration of reports of other auditors on the unaudited separate quarterly financial results and on the other financial information of the components, nothing has come to our attention that cause us to believe that the accompanying statement of unaudited consolidated financial results prepared in accordance with recognition and measurement principles laid down in Accounting Standard 25 Interim Financial reporting notified pursuant to the Companies (Accounting Standards) Rules, 2006, (as amended) and other recognized 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.

Chennai – 600 017
Date: 12th Feb, 2015



For Ramadoss & Co
Chartered Accountants
FR No.002879S

K Ramadoss

Partner
K. Ramadoss
M No: 019176