

Xchanging Solutions (Malaysia) Sdn Bhd

Balance Sheet as at March 31, 2017

	Notes	As at 31-Mar-17		As at 31-Dec-15	
		MYR	INR	MYR	INR
EQUITIES AND LIABILITIES					
Shareholders' Funds					
Share capital	3	250,000	3,686,768	250,000	3,854,186
Reserves and surplus	4	26,552	391,561	(1,537)	(23,703)
		<u>276,552</u>	<u>4,078,329</u>	<u>248,463</u>	<u>3,830,483</u>
Current liabilities					
Trade Payables	5	15,000	221,206	35,250	543,438
Other current liabilities	6	-	-	35,122	541,471
		<u>15,000</u>	<u>221,206</u>	<u>70,372</u>	<u>1,084,909</u>
TOTAL		<u>291,552</u>	<u>4,299,535</u>	<u>318,835</u>	<u>4,915,392</u>
ASSETS					
Current Assets					
Trade Receivables	7	-	-	286,352	4,414,615
Cash and Bank balances	8	291,552	4,299,535	32,483	500,777
		<u>291,552</u>	<u>4,299,535</u>	<u>318,835</u>	<u>4,915,392</u>
TOTAL		<u>291,552</u>	<u>4,299,535</u>	<u>318,835</u>	<u>4,915,392</u>
		(0)	(0)		

See accompanying notes forming part of the financial statements

As per our report of even date

Sethi Agarwal & Associates
Chartered Accountants
Firm Registration No. 020918N

For and on behalf of the Board of Directors of
Xchanging Solutions (Malaysia) Sdn Bhd

CA. Ankur Agarwal
Partner
Membership No. 507073

Director

Place: New Delhi
Date:

Xchanging Solutions (Malaysia) Sdn Bhd

Statement of Profit and Loss for the 15 months period ended March 31, 2017

	Notes	For the 15 Month Period Ended 31-Mar-17		For the Year Ended 31-Dec-15	
		MYR	INR	MYR	INR
INCOME					
Revenues	9	-	-	-	-
Other income	10	44,679	658,888	-	-
		<u>44,679</u>	<u>658,888</u>	<u>-</u>	<u>-</u>
EXPENDITURE					
Other operating costs	11	16,590	244,654	14,722	226,973
		<u>16,590</u>	<u>244,654</u>	<u>14,722</u>	<u>226,973</u>
Profit /(Loss) for the year before tax		28,089	414,234	(14,722)	(226,973)
Provision for tax		-	-	-	-
Profit /(Loss) for the year		28,089	414,234	(14,722)	(226,973)
Earnings per share [Ordinary shares, par value MYR 1 each]					
Basic and Diluted		<u>0.11</u>	<u>1.66</u>	<u>(0.06)</u>	<u>(0.91)</u>
Weighted average number of ordinary shares used in computing					
Earnings per share					
Basic and Diluted		<u>250,000</u>	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>

See accompanying notes forming part of the financial statements

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Date:

Xchanging Solutions (Malaysia) Sdn Bhd

Cash Flow Statement for the 15 Month Period ended March 31, 2017

	For the 15 Month Period Ended 31-Mar-17		For the year ended 31-Dec-15	
	MYR	INR	MYR	INR
A. Cash flow from operating activities				
Net profit / (Loss) before taxation	28,089	414,234	(14,722)	(226,973)
Adjustments for:				
Write back of Liabilities	(44,679)	658,888	-	-
Operating profit / (Loss) before working capital changes	(16,590)	1,073,122	(14,722)	(226,973)
Movements in working capital :				
Decrease / (Increase) in sundry debtors	286,352	4,222,854	3,956,001	60,988,649
Decrease / (Increase) loans and advances	-	-	-	-
Increase / (Decrease) in current liabilities & provisions	(10,693)	(157,689)	7,468	115,128
Net cash (used) Surplus in operating activities (A)	259,069	5,138,287	3,948,746	60,876,805
Direct taxes paid (net of refunds)				
Net cash used in operating activities (A)	259,069	5,138,287	3,948,746	60,876,805
B. Cash flows from investing activities				
C. Cash flows from financing activities				
Dividends Paid	-	-	(3,950,000)	(60,896,138)
Net cash from financing activities (C)	-	-	(3,950,000)	(60,896,138)
Net increase in cash and cash equivalents (A + B + C)	259,069	5,138,287	(1,254)	(19,334)
Cash and cash equivalents at the beginning of the year	32,483	479,026	33,737	520,111
Cash and cash equivalents at the end of the year	291,552	5,617,313	32,483	500,777
Components of cash and cash equivalents				
Cash	-	-	-	-
With banks				
in current account	291,552	4,299,537	32,483	500,777
	291,552	4,299,537	32,483	500,777

See accompanying notes forming part of the financial statements

As per our report of even date

Sethi Agarwal & Associates
Chartered Accountants
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For and on behalf of the Board of Directors of
Xchanging Solutions (Malaysia) Sdn Bhd

CA. Ankur Agarwal
Partner
Membership No. 507073

Director

Place: New Delhi
Date:

Xchanging Solutions (Malaysia) Sdn Bhd

Notes to the Financial Statements

1. BACKGROUND

Xchanging Solutions (Malaysia) Sdn Bhd, ('Xchanging Malaysia' or 'the Company') is a private limited Liability company, incorporated and domiciled in Malaysia. The Company is engaged in the business of Information Technology ("IT").

The Company is a subsidiary of Xchanging Solutions (Singapore) Pte Ltd., a company incorporated in Singapore. The ultimate holding company is Xchanging Solutions Limited, a company incorporated in India.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

- (a) The financial statements have been prepared to comply in all material respects with the mandatory respects with the mandatory Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 2013 ('the Act'). The financial statements have been prepared under the historical cost convention on an accrual basis. Further, the financial statements are presented in the general format specified by Schedule III of the Act. However, as these financial statements are not statutory financial statements, full compliance with the above Act, is not required and so they do not reflect all the disclosure requirements of the Act. These financial statements are presented pursuant to requirements of Section 129 of the Act. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year
- (b) Consequent to the takeover of the Company by CSC, The Financial period of the Company has been changed from January to December to April to March. Thus, the current financials have been prepared for the period January 2015 to March 2017 (15 Month Period).
- (c) The functional currency of the Company is Malaysian Ringgit ('MYR') also known as "RM" and the reporting currency of the financial statements is Indian Rupee ('INR or Rs')
- (d) For the convenience of readers, the balance sheet as at March 31, 2017 and the Profit and Loss account and the cash flows for the year then ended have been translated into INR at the exchange rate 1 MYR=14.74707 and the balance sheet as at December 31, 2014 and the Profit and Loss account and the cash flows for the year then ended have been translated into INR at the exchange rate 1 RM=15.41674. The convenient translation should not be construed as a representation that the MYR amounts or the INR amounts referred to in these financial statements have been, could have been or could in the future be converted into INR or MYR, as the case may be, at this or any other rate of exchange, or at all. Wherever movement schedule is provided in the financial statement, the opening balance are converted at MYR 1= INR 14.74707 for March 31, 2017 and at the exchange rate of MYR 1=INR 15.41674 for December 31, 2015

2.2 Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting year end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Any revision in accounting estimates is recognised prospectively in current and future periods.

2.3 Fixed assets and depreciation

- (i) Fixed assets are stated at cost of acquisition less accumulated depreciation and impairment losses. Cost comprises the purchase price and any directly attributable costs of bringing the assets to their working condition for its intended use.
- (ii) Depreciation is provided on a straight line method (SLM) based on estimated useful life of fixed assets determined by management as follows:

	Years
Computers	3
Vehicles	2-5

Xchanging Solutions (Malaysia) Sdn Bhd

Notes to the Financial Statements

Office equipment	5
Furniture and fixtures	5

The above rates are higher than the rates prescribed under Schedule XIV of the Companies Act, 1956.

- (iii) Leasehold improvements are amortised over the period of lease or five years, whichever is lower. Assets acquired on finance lease are depreciated at the lower of lease term and estimated useful life as stated above.

2.4 Intangible assets

Intangible assets are recognised only if it is probable that future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets comprise of goodwill, computer software, computer software license rights, license to use intellectual property and software development costs.

- (i) Goodwill arising on acquisition is the difference between the cost of an acquired business and the aggregate of the fair value of that entity's identifiable assets and liabilities and the same is amortised on a straight line basis over its economic life or the period defined in the Court scheme.
- (ii) Costs incurred towards development of computer software meant for internal use are capitalised subsequent to establishing technological feasibility. Computer software is amortised over an estimated useful life of two to six years.
- (iii) Computer software licences are capitalised on the basis of costs incurred to acquire and bring to use the specific software, and are amortised on straight line basis over an estimated useful life of four years.
- (iv) License to use intellectual property rights are amortised on straight line basis over an estimated useful life of six years.
- (v) The amortisation period and method used for intangible assets are reviewed at each financial year end.

2.5 Borrowing costs

Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset are capitalised as part of the cost of that asset till such time the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use.

2.6 Lease accounting

Finance lease

Assets acquired under lease where the Company has substantially all the risks and rewards of ownership are classified as finance lease. Such lease is capitalised at the inception of the lease at lower of the fair value or the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each period. Lease management fees, legal charges and other initial direct costs are capitalised.

Operating lease

Assets acquired on lease where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating lease. Lease rentals on assets taken on operating lease are recognised as an expense in the Profit and Loss Account on a straight line basis over the lease term. Operating leases, which are renewed, after the primary lease period and have not been opted for transfer of ownership, are reclassified to finance lease prospectively.

2.7 Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term

Xchanging Solutions (Malaysia) Sdn Bhd

Notes to the Financial Statements

investments are carried at cost. However, provision for diminution in the value is made to recognise a decline, other than temporary, in the value of the investments.

2.8 Inventories

Inventories comprise licenses purchased by the Company for resale to a customer and are stated at the lower of cost and net realisable value. Cost of licenses is determined using the first-in-first-out method.

2.9 Impairment of assets

At each balance sheet date, the Company assesses whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. If the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognised in the Profit and Loss Account to the extent the carrying amount exceeds the recoverable amount.

2.10 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Company and that the revenue can be reliably measured.

- (i) Revenue from software services includes revenue from time and material and fixed price contracts. Revenue from time and material contracts are recognised as related services are performed. Revenue from fixed price contracts for delivering services is recognised under the proportionate-completion method wherein revenue is recognised based on services performed to date as a percentage of total services to be performed
- (ii) Revenue from maintenance contracts are recognised rateably over the term of the maintenance contract on a straight-line basis.
- (iii) Revenue from Information Technology enabled Services (ITeS) is recognised as services are rendered, on the basis of an agreed amount in accordance with the agreement entered into by the Company.
- (iv) Revenue from sale of user licenses for software application is recognised on transfer of the title in the user license.
- (v) Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.
- (vi) Provision for estimated losses, if any, on incomplete contracts are recorded in the period in which such losses become probable based on the current contract estimates.
- (vii) Deferred and unearned revenues represent the estimated unearned portion of fees derived from certain fixed-rate claim service agreements. Deferred revenues are recognised based on the estimated rate at which the services are provided. These rates are primarily based on a historical evaluation of actual claim closing rates. Unearned revenues for fixed fee contracts are recognised on a pro-rata basis over the terms of the underlying service contracts, which are generally one year.
- (viii) Unbilled revenue represents costs and earnings in excess of billings as at the balance sheet date.

2.11 Foreign currency transactions

(i) Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Xchanging Solutions (Malaysia) Sdn Bhd

Notes to the Financial Statements

(ii) Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

(iii) Exchange differences

Exchange differences arising on the settlement of monetary items or on reporting the Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expense in the year in which they arise except those arising from investments in non-integral operations.

Exchange differences arising on a monetary item that, in substance, forms part of the Company's net investment in a non-integral foreign operation is accumulated in a foreign currency translation reserve in the financial statements until the disposal of the net investment, at which time they are recognised as income or as expense.

(iv) Forward exchange contracts not intended for trading or speculation purposes

The premium or discount arising at the inception of forward exchange contracts is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the statement of profit and loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognised as income or as expense for the period.

2.12 Employee benefits

(a) Short term employee benefits:

All employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits, which include benefits like salaries, short term compensated absences, performance incentives, etc. and are recognised as expense in the period in which the employee renders the related service.

(b) Defined-contribution plans:

The Company has defined contribution plans (where Company pays pre-defined amounts and does not have any legal or informal obligation to pay additional sums) for post employment benefits, and the Company's contributions thereto are charged to Profit and Loss Account every year. The Company's contributions to State plans are also charged to Profit and Loss Account as expense during the period in which the employees perform the service.

(c) Defined-benefit plan:

The Company has a defined benefit plan (viz., Gratuity in India) for employees, the liability for which is determined on the basis of valuation carried out by an independent actuary (under projected unit credit method) at the balance sheet date.

(d) Other long term employee benefits:

Compensated absences that are not expected to occur within twelve months after the end of the period in which the employee renders related services are recognised as a liability at the present value of the defined benefit obligation based on actuarial valuation (under projected unit credit method) carried out at the balance sheet date.

(e) Actuarial gains and losses:

Actuarial gains and losses comprise experience adjustments and the effect of changes in the actuarial assumptions, and are recognised immediately in the Profit and Loss Account as income or expense.

Xchanging Solutions (Malaysia) Sdn Bhd

Notes to the Financial Statements

(f) Deferred employee stock compensation costs

Stock options granted to the employees under employee stock option plans (ESOP's) are recognised in accordance with the accounting treatment prescribed by "Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999". Accordingly, the excess of market value of the stock options, as on the date of grant, over the exercise price of the options, is recognised as deferred employee stock compensation expenses, and is charged to profit and loss account on 'graded vesting' basis over the vesting period of the options. The fair value of the options is measured on the basis of an independent valuation performed or the market price in respect of stock options granted.

2.13 Taxes on Income

Tax expense comprises current, deferred and fringe benefit taxes. Current income tax and fringe benefit tax is measured at the amount expected to be paid to the tax authorities in accordance with local tax laws applicable in the respective countries. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities across various countries of operation are not set-off against each other as the Company does not have a legal right to do so. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each balance sheet date, the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Minimum Alternative Tax ('MAT') credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in the Guidance Note on Accounting in respect of Minimum Alternative Tax issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the profit and loss account and disclosed as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income tax during the specified period.

2.14 Earnings per share

Basic earnings/ (loss) per share is calculated by dividing the net profit/ (loss) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during all the years presented is adjusted for capital reduction.

For the purpose of calculating diluted earnings/ (loss) per share, the net profit/ (loss) for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

Xchanging Solutions (Malaysia) Sdn Bhd

Notes to the Financial Statements

2.15 Provisions and Contingent Liabilities

Provisions are recognised when the Company has a present obligation as a result of past events, for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are reviewed regularly and are adjusted where necessary to reflect the current best estimates of the obligation. When the Company expects a provision to be reimbursed, the reimbursement is recognised as a separate asset, only when such reimbursement is virtually certain.

Provisions for onerous contracts (i.e., contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it), are recognised when it is probable that cash outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event based on a reliable estimate of such obligation.

Contingent liabilities are disclosed when there is a possible obligation or a present obligation that may (but probably will not) require an outflow of resources.

2.16 Segment reporting

Identification of segments: The Company's operating businesses are organised and managed separately according to the nature of services rendered. The analysis of geographical segments is based on the geographical location of the Company's customer.

Inter segment transfers: The Company generally accounts for inter segment sales and transfers as if the sales or transfers were to third parties at current market prices.

Allocation of common costs: Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items: The unallocated items include general corporate income and expense items which are not allocated to any business segment.

2.17 Exceptional items

Exceptional items are generally non-recurring items of income and expense within profit or loss from ordinary activities, which are of such size, nature or incidence that their disclosure is relevant to explain the performance of the Company for the year.

2.18 Project work expenses

Project work expenses represents amounts charged by sub-contractors and cost of hardware and software incurred for execution of projects. These expenses are recognised on an accrual basis.

2.19 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and on hand and short-term investments with an original maturity of three months or less.

Xchanging Solutions (Malaysia) Sdn Bhd

Notes to the Financial Statements

3 SHARE CAPITAL	As at March 31, 2017		As at December 31, 2015	
	MYR	INR	MYR	INR
Authorised capital: 500,000 (2015: 5,00,000) ordinary shares of MYR 1 each	500,000	7,373,537	500,000	7,708,372
Issued, subscribed and paid up capital: 250,000 (2015: 250,000) ordinary shares of MYR 1 each fully paid up	250,000	3,686,769	250,000	3,854,186
a) Reconciliation of number of shares				
Equity Shares	As at Mar 31, 2017		As at Dec 31, 2015	
	Number of Shares	Amount	Number of Shares	Amount
Shares outstanding at the beginning of the period	250,000	3,686,769	250,000	3,854,186
Add / (Less): Movement during the year				
Shares outstanding at the end of the period	250,000	3,686,769	250,000	3,854,186
b) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company:				
Name of Shareholder	As at Mar 31, 2017		As at Dec 31, 2015	
	Number of Shares held	Percentage	Number of Shares held	Percentage
Xchanging Solutions (Singapore) Pte Ltd	250,000	100	250,000	100

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Xchanging Solutions (Malaysia) Sdn Bhd

Notes to the Financial Statements

	For the year ended March 31, 2017		As at December 31, 2014	
	MYR	INR	MYR	INR
4 RESERVE AND SURPLUS				
Surplus in Statement of Profit and Loss				
Balance as at the beginning of the year	(1,537)	(22,674)	3,963,185	61,099,408
Less: Dividend Paid			(3,950,000)	(60,896,138)
Profit/ (Loss) for the year	28,089	414,234	(14,722)	(226,973)
Balance as at end of the year	26,552	391,561	(1,537)	(23,703)
	26,552	391,561	(1,537)	(23,703)
5 TRADE PAYABLE				
Due to related parties				
Holding Company	-	-	25,693	396,100
	-	-	25,693	396,100
Other trade payables	15,000	221,206	9,557	147,338
	15,000	221,206	35,250	543,438
(i) Dues to related parties include the following:				
Holding Company				
Xchanging Solutions (Singapore) Pte Ltd	-	-	25,693	396,100
	-	-	25,693	396,100
ii. Expenses incurred by the related party on behalf of the company are also considered as part of trade payables				
6 OTHER CURRENT LIABILITIES				
Statutory dues	-	-	35,122	541,471
	-	-	35,122	541,471

Xchanging Solutions (Malaysia) Sdn Bhd

Notes to the Financial Statements

	For the year ended March 31, 2017		As at December 31, 2014	
	MYR	INR	MYR	INR
7 TRADE RECEIVABLE				
<i>(Unsecured, considered good)</i>				
Outstanding for a period exceeding 6 months from the date they are due for payment (refer note (i) below)	-	-	286,352	4,414,615
	<u>-</u>	<u>-</u>	<u>286,352</u>	<u>4,414,615</u>
(i) Trade receivable includes from related parties:				
Other related parties				
Xchanging Asia pacific Sdn bhd			286,352	4,414,615
	<u>-</u>	<u>-</u>	<u>286,352</u>	<u>4,414,615</u>
8 CASH AND BANK BALANCES				
Balances with Banks				
- In Current Accounts	291,552	4,299,535	32,483	500,777
	<u>291,552</u>	<u>4,299,535</u>	<u>32,483</u>	<u>500,777</u>

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Xchanging Solutions (Malaysia) Sdn Bhd

Notes to the Financial Statements

	For the 15 Month Period Ended March 31, 2017		For the year ended December 31, 2015	
	MYR	INR	MYR	INR
9 REVENUE FROM OPERATIONS				
Revenue from Software Development and related services	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
10 Other income				
Write Back of Liability	44,679	658,888	-	-
	<u>44,679</u>	<u>658,888</u>	<u>-</u>	<u>-</u>
11 OTHER OPERATING COSTS				
Communication	-	-	286	4,412
Travel	-	-	385	5,932
Legal & Professional (refer note (i) below)	15,000	221,206	9,200	141,834
Printing & Stationery	-	-	1,219	18,799
Bank charges	1,590	23,448	1,254	19,333
Miscellaneous Expenses	-	-	2,378	36,662
	<u>16,590</u>	<u>244,654</u>	<u>14,722</u>	<u>226,973</u>
(i) Includes Auditor remuneration and expenses			5,000	77,084

12 Segment Reporting

The primary reporting of the Company has been performed on the basis of business segments. The Company has only one business segment, which is providing of software development and related services. Accordingly, the amounts appearing in these financial statements are related to this primary business segment.

Secondary segment reporting is performed on the basis of the geographical location of customers. The management views the USA, Europe (comprising France and UK), Australia and Rest of the World as distinct geographical segments.

Geographical segments	2017		2015	
	MYR	INR	MYR	INR
Rest of World	-	-	-	-

13 Commitments and Contingencies

(a) Operating Lease commitments

Future minimum lease payment under non-cancellable lease are follow as of March 31, 2017

	2017 MYR	2017 INR	2015 MYR	2015 INR
Within One Year	-	-	-	-
After one Year butt not more than five years	-	-	-	-
Payable later than 5 years	-	-	-	-

(b) Finance Lease

The Company does not have any finance lease commitments.

(C) Contingent Liabilities	NIL	NIL	NIL	NIL
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17 Related Party Disclosures

Sl. No.	Name of the related party	Relationship	Nature of transaction	2017		2015		2017		2015	
				Transactions (in MYR)	Receivable / (Payable) (in MYR)	Transactions (in MYR)	Receivable / (Payable) (in MYR)	Transactions (in INR)	Receivable / (Payable) (in INR)	Transactions (in INR)	Receivable / (Payable) (in INR)
(i)	Xchanging Solutions (Singapore) Pte Ltd	Holding Company	Remittance from related party Dividend Payable adjusted Remittance to related party Expenses incurred by related party Trade Receivables at the end of the period Trade Payables at the end of the period	25,692	378,886	521,122 (3,950,000) (25,693)	(25,692)			8,034,004 (60,896,138) (396,102)	(396,091)
(ii)	Xchanging HR Services	Fellow Subsidiary	Expenses incurred by related party Trade Payables at the end of the period								
(iii)	Xchanging UK Ltd	Fellow Subsidiary	Expenses incurred by related party Trade Payables at the end of the period			(2,044)	(0)			(31,512)	(1)
(iv)	Xchanging Asia Pacific Sdn Bhd	Fellow Subsidiary	Remittance from related party Trade Receivables at the end of the period	(286,352)	(4,222,854)	(524,122)	286,352				4,414,615

Xchanging Solutions (Malaysia) Sdn Bhd

Notes to the Financial Statements

14 Taxation

No Provision for Taxation has been made in the Financial Statements as the Company has no chargeable Income.

15 Employee benefits

As required by law, Companies in Malaysia make contributions to the state pension scheme, the Employees Provident Fund ("EPF"). Such contributions are recognized as an expense in the profit and loss account on an accrual basis. The Company had no employees during the year.

16 Prior year comparatives

Previous period's figures have been regrouped/ reclassified wherever necessary to conform to the current year's presentation.

As per our report of even date

Sethi Agarwal & Associates
Chartered Accountants
Firm Registration No. 020918N

For and on behalf of the Board of Directors of
Xchanging Solutions (Malaysia) Sdn Bhd

CA. Ankur Agarwal
Partner
Membership No. 507073

Director

Place: New Delhi
Date: