

ACCEL LIMITED

(Formerly known as Accel Transmatic Limited)



AL/CS/BSE/022/18-19

February 4, 2019

BSE Limited

Phiroze Jeejeebhoy Towers,
25th Floor, Dalal Street,
Mumbai – 400 001

Dear Sir,

Sub.: Script code-517494, Script ID–Accel

Ref.: Intimation from BSE dated 01st February 2019 seeking clarification.

We refer to your above-mentioned intimation seeking our comments on significant movement in price in the market and about any substantial development we would like to clarify as follows.

Though the management is not aware of any specific reason for the sudden interest in the shares lately by investors, we would like to mention certain facts for your information, records and knowledge of public shareholders which may have bearing on the share prices.

1. The Company had undertaken the reverse merger with its holding company, approval for the same was obtained in March 2018, and formalities have been completed. This has strengthened the balance sheet of the Company and this information was shared to the exchange over various correspondences.
2. The Company has been exploring various avenues to kick start the operations after the approval of the merger so as to enhance shareholders wealth. As is permitted, all material information was shared with the shareholders in the Annual General Meetings and through quarterly communication to stock exchange etc.
3. In the recent past, the Company's promoters who currently hold 71.53% of the shares had indicated their intention to acquire additional shares up to 5,00,000 starting from 25th February, 2019 vide their notice dated 21st August, 2018 which was shared with the stock exchange.

Regd. Off. / Corp. Off. : 3rd Floor, SFI Complex, 178, Valluvarkottam High Road, Nungambakkam, Chennai - 600 034. Phone : 044 - 28222262, 044 - 48652262

Factory : No. 34, SIDCO Electronics Complex, Thiru Vi. Ka. Industrial Estate, Guindy, Chennai - 600 032. Phone : 044 - 22500338

Animation Division : Drishya Building, KINFRA Film & Video Park, Sainik School PO, Kazhakuttam, Thiruvananthapuram - 695 585. Phone : 0471 - 2167859

Website : www.acceltransmatic.com / www.accel-india.com

CIN : L30007TN1986PLC100219

4. The Chairman during his speech in the Annual General Meeting held in the last week of September, 2018 had outlined various actions being initiated by the Management for kick starting the business operations.
5. The Company in its Annual Report for 2017-18, under the Management Discussion and Analysis; under the Real Estate division has given the following information:

Quote

"Real Estate Development

Since the Company is holding real estate as freehold land and buildings and also leased land from Kerala Infrastructure Development Corporation, the Company has identified real estate related services including development as a core area of focus going forward so as to unlock the value of such assets. The management is in talks with developers to develop the real estate assets located in Thiruvananthapuram, in such a way that the benefits can accrue to the Company in near term and also on a long term basis. Initial efforts are on to convert part of the factory land in Gandhipuram, Thiruvananthapuram to be developed as an apartment complex. The Company is also in the process of obtaining necessary approvals to construct an area of 1,50,000 Sq Ft of IT space initially on the lease hold land provided to us by KINFRA, in their SEZ, which shall be let out on rent to IT/ITES companies. Barring unforeseen circumstances, these initiatives will bear fruit in the next 2-3 years"

Unquote

Accordingly, the Company is actively pursuing the real estate development and has recently received a co-developer status with KINFRA from Ministry of Commerce. The construction activity will commence once various formalities are completed.

6. The Company had a non compete agreement with its erstwhile subsidiary, Accel Frontline Limited (presently known as Inspirisys Solutions Limited) which is expiring on 23rd July, 2019 which could allow the Company to reenter its IT business and the management is exploring various opportunities in this area.
7. As per the notes to half-yearly accounts ended 30th September 2018, the Company had mentioned that it has re-valued its immovable assets as per IND AS requirement. And it has a net worth of around 70 Crores and nil debt.
8. The Company has a subsidiary company by name Accel Media Ventures Ltd, which has created a good brand name for Visual Effects in the South Indian film industry and it is in a growth path.

9. The Management is actively exploring opportunities to enter in to electronics and appliance manufacturing under the Make In India initiatives, though no concrete agreement or collaboration has happened yet.

The management is happy that the investors have started evincing interest in the Company and its shares are traded in large volumes and last 52 weeks high being Rs.10.92 and low being Rs.2.65.

The Management is confident of living up to the expectations of its shareholders. The Management will provide further communications on the business development plans to the stock exchange as and when the Board approves any concrete proposals that impact the business operations.

We hope this clarifies the position.

Thanking you,

Yours faithfully,
For **Accel Limited**,



Priyam Agarwal
Company Secretary