

Annexure - I

ACCEL FRONTLINE LIMITED
 Regd. Office : 75, Nelson Manickam Road, Aminjikarai, Chennai - 600 029
 Audited Financial Results for the period ended on March 31, 2014

(CIN NO. L30006TN1995PLC031736)

Amount (Rs. In lacs)

Sl No	Particulars	CONSOLIDATED						STANDALONE					
		3 Months ended 31/03/2014	Previous 3 months ended 31/12/2013	Corresponding 3 months ended 31/03/2013	Year to date current period ended 31/03/2014	Previous accounting year ended 31/03/2013	3 Months ended 31/03/2014	Previous 3 months ended 31/12/2013	Corresponding 3 months ended 31/03/2013	Year to date current period ended 31/03/2014	Previous accounting year ended 31/03/2013		
1	Net Income from Sales / Services	13,331	9,980	9,543	42,134	39,786	8,843	7,219	7,531	29,680	32,607		
2	Cost of Sales / Services												
	a) (Increase)/decrease in stock in trade and work in progress	189	176	(267)	214	(410)	150	176	(267)	175	(410)		
	b) Consumption of raw materials	72	-	165	72	167	72	-	165	72	167		
	c) Purchase of traded goods	7,650	3,173	3,411	17,602	16,795	4,241	2,759	3,134	12,186	14,462		
	d) Other expenditure	2,294	2,376	2,149	9,394	8,632	1,316	1,579	1,295	6,135	6,101		
3	Gross Profit (1-2)	3,126	4,255	4,085	14,852	14,602	3,064	2,705	3,204	11,112	12,287		
4	General & administrative expenses	2,259	3,304	3,547	11,181	11,596	2,424	1,777	2,680	7,671	9,180		
5	Selling & distribution expenses	47	24	140	120	32	38	14	44	82	75		
6	Depreciation	300	288	312	1,107	1,068	259	247	282	972	969		
7	Operating profit before interest (3) - (4+5+6)	520	639	87	2,444	1,906	342	667	198	2,387	2,063		
8	Interest & finance charges	615	667	499	2,441	1,708	566	656	501	2,328	1,667		
9	Exceptional Items												
10	Operating profit after interest and exceptional item (7 - 8 - 9)	(96)	(28)	(413)	3	198	(223)	11	(303)	60	396		
11	Other income	274	206	258	516	65	235	(1)	265	235	28		
12	Profit (+)/Loss (-) from ordinary activities before tax [10 + 11]	178	178	(154)	519	263	11	10	(38)	295	424		
13	Tax Expense	4	4	20	70	144	(16)	4	20	50	144		
14	Net Profit (+)/Loss (-) from ordinary activities after tax [12-13]	175	174	(174)	449	119	28	6	(58)	245	280		
15	Extraordinary items (net of tax expense)												
16	Net Profit (+)/Loss(-) for the period(14-15)	175	174	(174)	449	119	28	6	(58)	245	280		
17	Paid-up Equity share capital (Face value per share Rs.10)	2,976.19	2,426.19	2,426.19	2,976.19	2,426.19	2,976.19	2,426.19	2,426.19	2,976.19	2,426.19		
18	Reserves excluding Revaluation Reserves												
19	Earnings Per Share												
	a) Basic earnings per share before extra-ordinary item (Rs)	0.69	0.72	(0.72)	1.76	0.49	0.11	0.02	(0.24)	0.96	1.15		
	b) Diluted earnings per share before extra-ordinary item (Rs)	0.69	0.72	(0.72)	1.76	0.49	0.11	0.02	(0.24)	0.96	1.15		
	a) Basic earnings per share after extra-ordinary item (Rs)	0.69	0.72	(0.72)	1.76	0.49	0.11	0.02	(0.24)	0.96	1.15		
	b) Diluted earnings per share after extra-ordinary item (Rs) (Weighted average method)	0.69	0.72	(0.72)	1.76	0.49	0.11	0.02	(0.24)	0.96	1.15		

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ACCCEL FRONTLINE LIMITED

Regd. Office : 75, Nelson Manickam Road, Aminjikarai, Chennai - 600 029

(CIN NO. L30006TN1995PLC031736)

Audited Financial Results for the period ended on March 31, 2014

Amount (Rs. in lacs)

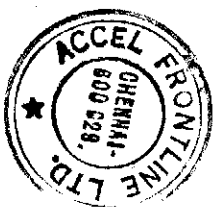
SI No	Particulars	CONSOLIDATED						STANDALONE					
		3 Months ended 31/03/2014	Previous 3 months ended 31/12/2013	Corresponding 3 months ended 31/03/2013	Year to date current period ended 31/03/2014	Previous accounting year ended 31/03/2013	3 Months ended 31/03/2014	Previous 3 months ended 31/12/2013	Corresponding 3 months ended 31/03/2013	Year to date current period ended 31/03/2014	Previous accounting year ended 31/03/2013		
20	Aggregate of public shareholding Number of shares Percentage of shareholding	3,267,922 10.98	8,409,097 34.66	8,156,122 33.62	3,267,922 10.98	8,156,122 33.62	3,267,922 10.98	8,409,097 34.66	8,156,122 33.62	3,267,922 10.98	8,156,122 33.62		
21	Promoters and promoter group Shareholding a) Pledged/Encumbered - Number of shares - Percentage of shares (as a % of the total shareholding of promoter and promoter group) - Percentage of shares (as a % of the total share capital of the company) b) Non-encumbered - Number of Shares - Percentage of shares (as a % of the total shareholding of promoter and promoter group) - Percentage of shares (as a % of the total share capital of the company)	3,200,000 12.08 10.75 23,293,951 87.92 78.27	4,400,000 27.76 18.14 11,452,776 72.24 47.20	3,734,700 23.19 15.39 12,371,051 76.81 50.99	3,200,000 12.08 10.75 23,293,951 87.92 78.27	3,734,700 23.19 15.39 12,371,051 76.81 50.99	3,200,000 12.08 10.75 23,293,951 87.92 78.27	4,400,000 27.76 18.14 11,452,776 72.24 47.20	3,734,700 23.19 15.39 12,371,051 76.81 50.99	3,200,000 12.08 10.75 23,293,951 87.92 78.27	3,734,700 23.19 15.39 12,371,051 76.81 50.99		

Notes :

- 1) The above audited financial results for the period ended March 31, 2014, as reviewed by the audit committee were approved and taken on record by the Board of Directors at its meeting held on May 07, 2014
- 2) The consolidated financial results comprises the financial results of the Company and its subsidiaries.
- 3) The services component in the consolidated net income for the twelve months ended 31-03-2014 was Rs.22,274 Lacs (53% of Total Turnover) contributing a Operating Profit of Rs.3,016 Lacs (80% of the total operating profit).
- 4) The company during the year had signed Share Holders Agreement and Share Subscription Agreement with M/s CAC Holdings Corporation, Japan (formerly CAC Corporation, Japan).
Consequent to this agreement an EGM was held on 08.01.2014 for issue of preferential shares to them. The company received from M/s CAC Holdings Corporation, Japan on 10.01.2014 Rs. 24.75 Crores towards allotment of 55,00,000 equity shares and the proceeds have been utilised for the purpose mentioned in the EGM notice. Accordingly, the paid up share capital of the company has gone upto Rs. 29.76 crores from Rs.24.26 crores.
- 5) Previous quarter / year's figures have been regrouped and rearranged wherever necessary.
- 6) Information on investor complaints for quarter in numbers opening - 0, received - 1, disposed off - 1 and closing - 0

Place : Chennai
Date : May 07, 2014

for Acccel Frontline Limited
N R Panicker
Chairman



Particulars	Amount in Lacs			
	Consolidated		Standalone	
	As at 31-03-2014	As at 31.03.2013	As at 31-03-2014	As at 31.03.2013
	Audited	Audited	Audited	Audited
A EQUITY AND LIABILITIES				
1 Shareholders' funds				
(a) Share capital	2,976	2,426	2,976	2,426
(b) Reserves and Surplus	9,271	7,459	9,290	7,120
(c) Money received against share warrants	-	-	-	-
Sub-total - Shareholders Funds	12,247	9,885	12,266	9,546
2 Share application money pending allotment	-	-	-	-
3 Minority interest*	621	399	-	-
4 Non-current liabilities				
(a) Long-term borrowings	1,681	1,046	1,675	1,031
(b) Deferred tax liabilities (net)	371	326	371	326
(c) Other long-term liabilities	-	-	-	-
(d) Long-term provisions	310	486	251	369
Sub-total - Non-current liabilities	2,362	1,858	2,297	1,726
5 Current liabilities				
(a) Short-term borrowings	10,213	9,329	9,966	9,131
(b) Trade payables	8,195	10,554	5,770	8,859
(c) Other current liabilities	4,000	3,651	3,287	2,962
(d) Short-term provisions	81	121	81	120
Sub-total - Current liabilities	22,490	23,655	19,104	21,072
TOTAL - EQUITY AND LIABILITIES	37,721	35,797	33,667	32,344
B ASSETS				
1 Non-current assets				
(a) Fixed assets	4,921	4,704	4,240	4,211
(b) Goodwill on consolidation*	1,311	1,308	-	-
(c) Non-current investments	30	30	2,498	2,181
(d) Deferred tax assets (net)	-	-	-	-
(e) Long-term loans and advances	1,156	421	1,154	331
(f) Other non-current assets	640	804	595	763
Sub-total- Non-current assets	8,058	7,267	8,487	7,486
2 Current assets				
(a) Current investments	-	-	-	-
(b) Inventories	4,106	4,386	4,066	4,313
(c) Trade receivables	16,658	14,907	13,329	12,538
(d) Cash and cash equivalents	1,937	2,681	814	1,642
(e) Short-term loans and advances	1,448	2,690	1,480	2,602
(f) Other current assets	5,514	3,866	5,491	3,763
Sub-total - Currents assets	29,663	28,530	25,180	24,858
TOTAL - ASSETS	37,721	35,797	33,667	32,344
* applicable in the case of consolidated statements of assets and liabilities				

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ACCEL FRONTLINE LTD.
CHENNAI-600 029.

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St Thomas Mount
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Chennai@KSAiyar.com

INDEPENDENT AUDITOR'S REPORT

The Members of
M/s. Accel Frontline Limited,
Chennai

Report on the Financial Statements

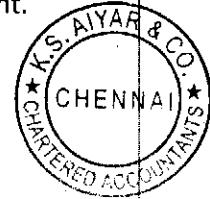
We have audited the accompanying consolidated financial statements of **M/s. Accel Frontline Limited** and its subsidiaries, which comprise the Consolidated Balance Sheet as at March 31, 2014, the Consolidated Statement of Profit and Loss, Consolidated Cash Flow Statement, summary of significant accounting policies and other notes for the year then ended incorporating the financial transactions of Singapore branch of Accel Frontline Limited which was audited by another auditor.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the act") read with general circular of 13th September 2013 of Ministry of Corporate Affairs in respect of Section 133 of the Companies 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.



Offices in
Mumbai Kolkata Bangaluru
Goa Coimbatore

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

We did not audit the financial statement of subsidiaries, whose financial statements reflect total assets (Net) of Rs.1870.84 Lakhs as of 31st March 2014, Total Revenue (Net of duties and taxes) of Rs.14791.25 Lakhs and net cash inflow from operating activity amounting to Rs.864.47 Lakhs. These Financial Statements and other financial information have been audited by other Auditors whose reports have been furnished to us, and our opinion is based solely on the reports of the other Auditors.

We report that the Consolidated Financial Statements have been prepared by the Accel Frontline Ltd's management in accordance with the requirements of Accounting Standard (AS) 21, consolidated financial statements.



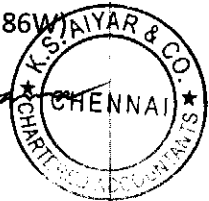
Opinion

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Consolidated Balance Sheet, of the state of affairs of the company as at 31st March, 2014;
- (b) In the case of the Consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) In the case of the Consolidated cash flow statement, of the cash outflows for the year ended on that date.

For K.S.Aiyar & Co.,
Chartered Accountants
(Firm Regn No: 100186W)


(S. Kalyanaraman)
Partner
(M No.200565)



Place: Chennai - 16
Date: 7th May 2014

K. S. AIYAR & CO

CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

The Members of
M/s. Accel Frontline Limited,
Chennai.

Report on the Financial Statements

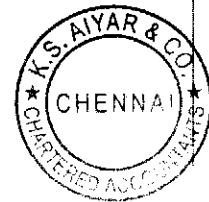
We have audited the accompanying financial statements of **M/s. Accel Frontline Limited**, which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and Cash Flow Statement, summary of significant accounting policies and other notes for the year then ended incorporating the financial transactions of Singapore branch of Accel Frontline Limited which was audited by another auditor.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the act") read with general circular of 13th September 2013 of Ministry of Corporate Affairs in respect of Section 133 of the Companies 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.



Offices in
Mumbai Kolkata Bangaluru
Goa Coimbatore

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

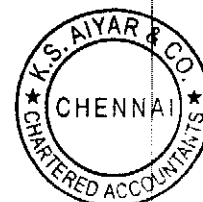
Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Balance Sheet, of the state of affairs of the company as at 31st March, 2014;
- (b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) In the case of the cash flow statement, of the cash outflows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors Report) Order, 2003 (CARO) as amended by Companies (Auditor's Report)(Amendment) order, 2004 issued by the Government of India vide GSR No.766 (E) in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the annexure a statement on the matters specified in paragraph 4 and 5 of the said Order.
2. As required by section 227(3) of the Act, we report that:
 - a. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books



K. S. AIYAR & CO

CHARTERED ACCOUNTANTS

- bb. The report on the accounts of the branch office audited under section 228 by another auditor has been forwarded to us as required by clause (c) of the sub section (3) of section 228 and have been dealt with in preparing our report in the manner considered necessary by us;
- c. The balance sheet, statement of profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account and with the audited returns received from branch.
- d. In our opinion, the balance sheet, statement of profit and loss account and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 read with General circular dated 13th September 2013 of Ministry of Corporate Affairs in respect of section 133 of the companies act 2013.
- e. On the basis of written representations received from the directors, as on 31st March 2014 and taken on record by the Board of Directors, we report that none of the directors of the Company are disqualified as on 31st March, 2014 from being appointed as a director, in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
- f. Since the Central government has not issued any notification as to the rate at which the cess is to paid under section 441A of the companies act, 1956 nor has it issued under any rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the company.

For K.S.Aiyar & Co.,
Chartered Accountants
(Firm Regn No: 100186W)


(S.Kalyanaraman)
Partner
(M No.200565)



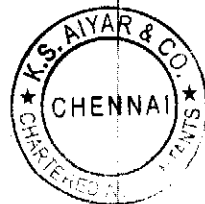
Place: Chennai - 16
Date: 7th May 2014

**Annexure to the Auditors' Report
Of M/s. Accel Frontline Limited, Chennai**

Referred to in paragraph 2 of our report of even date,

- (i)(a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (i)(b) The company has a phased programme of physical verification of fixed assets which in our opinion is reasonable having regard to the size of the company and the nature of its business. No material discrepancies were noticed on such verification.
- (i)(c) The fixed assets disposed off during the year were not substantial, According to the information and explanation given to us; we are of the opinion that the disposal of the fixed assets has not affected the going concern status of the company.
- (ii)(a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (ii)(b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (ii)(c) In our opinion and according to the explanations given to us, the company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book stock has been properly dealt with in the books of account.
- (iii)(a) The company has not granted any loans secured/unsecured to companies, firms or other parties covered under the register maintained under sec.301 of the Companies Act, 1956. Hence comments on clause (b),(c) & (d) are not applicable.
- (e) The company has taken unsecured loan for Rs.13.66/- crores from a company which is covered under section 301 of companies act, 1956.
- (f) As per the books of accounts produced to us, the rate of interest and other terms and conditions of unsecured loan taken by the company is prima facie not prejudicial to the interest of the company.
- (g) Payment of the interest is regular however principal repayment is not due in the current year.

- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal controls.



- (v)(a) According to the information and explanations provided by the management, we are of the opinion that the particulars of contracts or arrangements referred to in sec.301 of the Companies Act, 1956 that need to be entered into the register maintained under sec.301 have been so entered.
- (v)(b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements exceeding value of Rs.5/- lakhs have been entered into during the financial year at prices which are reasonable having regard to prevailing market prices at the relevant time.
- (vi) The company has not accepted any deposits from public and hence the provisions of sec 58A and 58AA or any other relevant provisions of the companies Act 1956 and the Companies (Acceptance of deposits) Rules, 1975 with regard to the deposits accepted from the public is not applicable.
- (vii) In our opinion, the company has an internal audit system, which is commensurate with the size and nature of its business.
- (viii) The Maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 is applicable to the Company and provisions relating to the said provision has been complied with.
- (ix)(a) Undisputed statutory dues including provident fund, investor education and protection fund, employees state insurance, sales tax, wealth tax, customs duty, excise duty has NOT been regularly deposited with appropriate authorities.
- (ix)(b) According to the records of the company, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees state insurance, wealth- tax, sales-tax, customs duty, excise duty, cess and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable except in the following cases, which was subsequently paid -

Nature of Tax	Amount (Rs.)	Due Since
Tax Deducted at Source	3,48,940	July 2013
Tax Deducted at Source	26,78,136	August 2013
Tax Deducted at Source	48,09,093	September 2013

- (ix)(c) According to the records of the company the dues outstanding of income tax, sales tax, wealth tax, service tax, customs duty, excise duty and cess on account of any dispute are as follows:

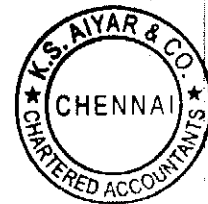


Name of the statute	Nature of Dispute	Amount (Rs.)	Period to which the amount relates	Forum where the dispute is pending
Income Tax	Income tax Assessment year 2007-08, in connection with Capitalization of application software, IPO expenses, depreciation of leasehold improvement, allowance of STPI profits and allowance of goodwill	42,418,700	FY 2006-07	Commissioner of Income tax (Appeals), Chennai
	Income tax Assessment year 2006-07, in connection with depreciation claimed on temporary wooden structures.	7,348,370	FY 2005-06	Income tax Appellate Tribunal, Chennai Bench, Chennai
	Income Tax Assessment Year 2008-09 in connection with depreciation on application software and allocation of corporate expenses for STPI, Depreciation on goodwill, temporary structure. Dividend income and IPO expenses	3,88,10,980	FY 2007-08	Commissioner of Income tax (Appeals) Chennai
	Disallowance of Capitalisation of application software, IPO expenses, depreciation of leasehold improvement, claim of STPI profits and claim of Goodwill	Nil	FY 2009-10	Commissioner of Income tax (Appeals), Chennai
	Disallowance of Capitalisation of application software, IPO expenses, depreciation of leasehold improvement, claim of STPI profits and claim of Goodwill	34,19,240	FY 2010-11	Commissioner of Income tax (Appeals), Chennai
	Disallowance of Capitalisation of application software, IPO expenses, depreciation of temporary partition, Exemption u/s 10B, Interest on advance to Subsidiaries, Provision for Gratuity	1,17,10,110	FY 2011-12	Commissioner of Income tax (Appeals), Chennai
Sales Tax	Levy of Tax for non-production of Form F for Rs.406821/= and Increase in taxable AMC Turnover from 10% to 20%. Under WBST ACT.	34,306	2003-04	Assistant Commissioner Park Street Charge, Kolkata
	Wrong imposition of Interest on late payment of Turnover Tax, Increase in Taxable AMC Turnover etc. under WBST ACT.	139,135	2004-05	Assistant Commissioner Park Street Charge, Kolkata
	The dispute relates to non-submission of Form F for interstate branch movement of stock, which the company has filed at the time of hearing with the appellate authorities. The Tribunal has remanded back the case to the assessing officer for fresh assessment	149,787	2002-03	Trade Tax Tribunal, Lucknow Trade Tax, Lucknow, UP



	In the Assessment order 8% CST charged for non-submission of Form C and 4% CST charged on CVT & UPS sales instead of 1%.	119,115	2001-02	Asst. Commissioner Park Street Charge, Kolkata
	Dispute with regard to tax rate on ATVM-KIOSK	8,68,281	2007-08	Deputy Commissioner (appeals)
	Additional VAT liability due to increase in turnover, purchase tax liability, disallowance of Input Tax Credit, imposition of interest and penalty under VAT Act.	268,424	2007-08	Joint Commissioner Park Street Charge, Kolkata
	CST liability on account of non-production of Form F and consideration of High SEA Sale under CST Sale & imposition tax on it.	555,061	2007-08	Joint Commissioner Park Street Charge, Kolkata
	Imposition of penalty for late submission of VAT Audit Report.	100,123	2007-08	Joint Commissioner Jamshedpur Urban Circle, Jamshedpur
	Tax Liability increased due to enhancement of Gross Turnover	39,283	FY 2009-10	Joint Commissioner Park Street, Kolkata
	Assessment order passed by the Sales Tax officer without proper hearing	1,97,222	FY 2006-07 (VAT)	Appellate & Revisional Board, Kolkatta
	Assessment order passed by the Sales Tax officer without proper hearing	19,574	FY 2006-07 (CST)	Appellate & Revisional Board, Kolkatta
	Tax Liability increased due to Non production of declaration forms, Considering labour portion into taxable CTP, Disallownace of ITC partially, Occurance of clerical mistake at the end of CTO while computing tax liability under CTP	62,50,277	FY 2010-11 (VAT)	Joint Commissioner Park Street, Kolkata
Service Tax	Penalty for belated payment of service tax	584,433	FY 2007-08	CESTAT, Chennai

- (x) The company does not have any accumulated losses at the end of the financial year and has not incurred any cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (xi) Based on our audit procedures and as per the information and explanations given by the management the company has not defaulted in repayment of dues to banks. *However there has been delay in honoring Letter of credits to the tune of Rs. 28.65 crores which was converted as term loans.*
- (xii) According to the information and explanations given to us and based on the documents and records produced to us the company has not granted loans and advances on the basis of security by way of pledge of shares and other securities.



K. S. AIYAR & CO

CHARTERED ACCOUNTANTS

- (xiii) In our opinion, the Company is not a chit fund or a nidhi/ mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xiv) In our opinion and according to the information and explanations given to us, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly the provisions of clause 4 (xiv) Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xv) The company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xvi) According to the records of the company, the company has availed the term loans and used the same for the intended purpose.
- (xvii) According to the information and explanations given to us and on an overall examination of the utilization of funds, we report that the no funds raised on short-term basis have been used for long-term investment.
- (xviii) The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act 1956. *However the company has made a preferential allotment of 55 lakhs equity shares on preferential basis to M/s CAC Corporation, Japan and the price at which it is issued is not prejudicial to the interest of the company.*
- (xix) The company did not have any outstanding debentures during the year.
- (xx) During the year the company has not raised any money from public by way of issue of shares.
- (xxi) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

For K.S.Aiyar & Co.,
Chartered Accountants
(Firm Regn No: 100186W)


(S. Karayaraman)
Partner
(M No.200565)



Place: Chennai - 16
Date: 7th May 2014



CIN: L30005TN1995PLC031736

Press release:

Accel Frontline Ltd. Q4 FY 2014 revenue increases by 39% to Rs136.06Cr.

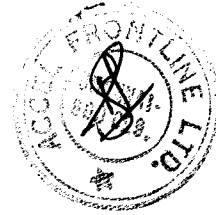
Chennai, May 7th, 2014: Accel Frontline Ltd. the Chennai headquartered subsidiary of CAC Holdings Corporation, Japan (Formerly CAC Corporation) has announced today that its consolidated turnover increased by 39% during the quarter ended 31st March 2014 to reach Rs.136.06 Crores compared to Rs.98.01 Crores during the same period in the previous financial year. For the full year under review, the revenue increased from Rs 401.38Crores to Rs. 426.50 Crores. Earnings before Interest, Tax, Depreciation and Amortization (EBITDA) increased by 22.31% to Rs. 40.6 Crores as compared to Rs. 33.25 Crores a year ago. Even after incurring an increased finance costs at Rs.24.41 Crores compared to Rs.19.95 Crores and Depreciation charges of Rs.11.07 Crores, the profit after tax stood at 4.49 Crores for the full year compared to Rs 1.19 Crores, registering a growth of 277%. The company turned around its operations during the quarter, registering a profit after tax of Rs.1.75 Crores for the 4th quarter compared to a loss of Rs. 1.74 Crores during the same period last year.

Highlights of the Performance are:

figures in rupees crore

Particulars	Q4 FY 14	Q4 FY 13	Change %	Annual FY 14	Annual FY 13	Change %
Net Revenue	136.06	98.01	38.77%	426.50	401.38	6.13%
EBITDA	10.94	6.57	66.51%	40.67	33.25	22.31%

Announcing the results, N. R. Panicker, Chairman of the Company said "I am pleased with the strong turnaround achieved by the company both in terms of growth in total revenue and EBITDA. After receiving the strategic investment from CAC Holdings Corporation, in January 2014, we have partly retired our debts and the same will be reflected in our performance in terms of lower interest outgo in the coming quarters. We are currently in the process of restructuring the business to focus more on Software and related IT services with operations in USA, Japan, UAE and Singapore. This will enable us improve our profitability non-linearly going forward."





CIN: L30000TN1395PLC031736

“CAC Holdings Corporation becoming a majority shareholder in Accel Frontline is a reflection of the Japanese Software Company’s confidence in Accel Frontline’s business model and future potential, as we embark on our journey for an accelerated growth in the next few years.”

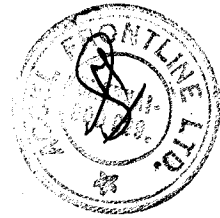
About Accel Frontline Ltd

Accel Frontline Ltd. is a joint venture between Accel Ltd. and CAC Holdings Corporation (formerly CAC Corporation) Tokyo, Japan. The company is engaged in providing comprehensive IT Services for enterprises and technology companies that include Product Engineering Services, Software Services, IT Infrastructure Services and Warranty Management Services. The company has PAN India operations with offices in all major cities and overseas operations in six countries including, Singapore, Japan, USA, UK and UAE.

On 3rd March 2014, CAC Corporation (Name changed to CAC Holdings Corporation from 1st April 2014),(www.cac-holdings.com) became a majority shareholder of Accel Frontline Ltd, after they successfully completed their open offer to acquire 26% from public shareholders. In January 2014, they had completed acquisition of a substantial minority stake by buying part of the promoter stake and making an investment through preferential issue.

About CAC Holdings Corporation

CAC Holdings Corporation through its group companies provides information technology (IT) services worldwide. The group companies offer a wide array of services ranging from systems consultation, integration, development, operation, and maintenance services; and business process outsourcing, data center, help desk and call center, desktop, information processing, software/hardware marketing, application operation, and security services. Services include providing financial information systems primarily for banks, trusts, securities business and insurance companies; research and development, production, sale, distribution, personnel, and accounting solutions for pharmaceuticals; and total supply chain management solutions for the food services industry. In addition, group companies offer IT solutions, such as value chain management encompassing design, procurement, manufacture, sales, and distribution; corporate management, including personnel and accounting; and information management, through an enterprise information portal. Further, group companies provide enterprise solutions, data warehouse and business intelligence services, application development and maintenance, and independent verification and validation services. The parent company was formerly known as CAC Corporation and changed its name to CAC Holdings Corporation on 1st April 2014. CAC Corporation was founded in 1966 is headquartered in Tokyo, Japan.





CIN: L30000TN1995PLC031736

To learn more about Accel Frontline Ltd. please visit www.accelfrontline.in or

Email: info@accelfrontline.in or kindly contact

Mrs.Sweena Nair Company Secretary Accel Frontline Ltd. Ph: 044-42252000 email: sweena.nair@accelfrontline.in	Mr.Hiren Shah Concept Public Relations Ph: +91 9820384223 email: hiren@conceptpr.com
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Safe Harbor:

Investors are cautioned that the above document may contain forward-looking statements that involve risks and uncertainties. The company undertakes no obligation, to publicly update or revise any forward-looking statements, whether because of new information, future events, or otherwise. Actual results, performances, or achievements could differ from those expressed or implied in such forward-looking statements.

