

**LIMITED REVIEW REPORT**

To:

**The Board of Directors of Accel Transmatic Limited on the Limited Review of un-audited financial results for the quarter/period ended 30<sup>th</sup> June, 2014**

1. We have reviewed the financial statement of un-audited financial results of ACCEL TRANSMATIC LIMITED for the Quarter/Period ended 30<sup>th</sup> June, 2014 except for the disclosures regarding "Public Shareholding" and "Promoter and Promoter Group Shareholding" which have been traced from the disclosures made by the management and have not been reviewed by us. These financial statements are the responsibility of the company's management and have been approved by the Board of Directors. Our responsibility is to issue a report on these financial results based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE), 2410, *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.
3. A review of interim financial information consists principally of applying analytical procedure for financial data and making enquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with generally accepted auditing standards, the objective of which is the expression of opinion regarding the financial statements taken as a whole. Accordingly, we do not express an opinion.
4. Based on our review conducted as stated above and read with Para 5 below, nothing has come to our attention that causes us to believe that the accompanying statement of un-audited financial statements referred to above, prepared in accordance with the Accounting Standards notified under the Companies Act, 1956 read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013, 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 misstatements.
5. Attention is invited to Note No.5 in the un-audited financial results stating concerns regarding Going Concern status of the Company, which facts/circumstances continue during the quarter under review. However, the Accounts have been drawn up on a Going concern basis on account of the reasons given therein by the management. Our report is not qualified in this respect.

Place: Chennai  
Date: 14<sup>th</sup> August, 2014



For VARMA & VARMA  
Chartered Accountants  
FRN 04532S  
*K M Sukumaran*  
K M Sukumaran  
Partner  
M.No.15707

**Accel Transmatic Limited**  
 Regd office : TC 17 / 27 Jagathy , Jera 20 , Trivandrum - 695014  
 Audited Results for the Quarter & Three Months ended June , 30 2014  
 CIN : L30007KL1986PLC004485

Sl. No.	Particulars	Quarter Ended ( Reviewed )			Rs. In Lacs
		Year Ended ( Audited )			
		30-Jun-14	31-Mar-14	30-Jun-13	31-Mar-14
1	<b>Income from operations</b>				
	Net Sales / Income from Operations	30.00	27.92	10.00	85.18
	<b>Total income</b>	<b>30.00</b>	<b>27.92</b>	<b>10.00</b>	<b>85.18</b>
2	<b>Expenditure</b>				
	a) Cost of Services	22.50	5.75	2.30	32.44
	b) Employees Cost	15.72	14.65	13.62	55.34
	c) Depreciation	66.73	96.84	97.20	397.32
	d) Other Expenditure	18.10	47.49	28.09	120.51
	<b>e) Total Expenditure</b>	<b>123.06</b>	<b>164.73</b>	<b>141.21</b>	<b>605.61</b>
3	Profit/(Loss) from Operations before Other Income, Finance Costs & Exceptional Items (1)-(2)	(93.06)	(136.81)	(131.21)	(520.43)
4	Other income	3.74	55.46	3.10	65.53
5	Profit/(Loss) from Ordinary activities before Finance costs & Exceptional Items (3)+(4)	(89.32)	(81.35)	(128.11)	(454.89)
6	Finance Cost	22.12	35.24	58.24	218.71
7	Profit/(Loss) from Ordinary Activities after Finance costs but before Exceptional Items (5)-(6)	(111.44)	(116.59)	(186.35)	(673.61)
8	Exceptional Items	51.95	-	-	-
9	Profit (+) / Loss (-) from Ordinary Activities before tax (7+8)	(163.39)	(116.59)	(186.35)	(673.61)
10	Tax Expense				
	a. Current Tax				
	b. Deferred Tax				
11	Net Profit (+) / Loss (-) from ordinary activities after tax ( 9 - 10 )	(163.39)	(116.59)	(186.35)	(673.61)
12	Extraordinary Items				
13	Net Profit(+)/Loss(-) for the period (11)+(12)	(163.39)	(116.59)	(186.35)	(673.61)
14	Paid up Equity share capital - Face Value Rs. 10 Each	1,103.74	1,103.74	1,103.74	1,103.74
15	Reserves Excluding Revaluation Reserves as per Balance Sheet of Previous Accounting Year				
16	Basic and diluted EPS				
	a) Diluted EPS before Exceptional Items for the period , for the Year to date and for the Previous Year ( not to be Annualized)	(1.48)	(1.06)	(1.69)	(6.10)
	b) Diluted EPS after Exceptional Items for the period , for the Year to date and for the Previous Year ( not to be Annualized)	(1.48)	(1.06)	(1.69)	(6.10)
	c) Basic EPS after Exceptional Items for the period , for the Year to date and for the Previous Year ( not to be Annualized)	(1.48)	(1.06)	(1.69)	(6.10)
17	Public Shareholding				
	No. of shares	45,74,564	45,74,564	45,74,564	45,78,751
	% to total capital	41.45%	41.45%	41.45%	41.51%
18	Promoters and Promoter Group Shareholding Pledged / Encumbered				
	Number of Shares	7,50,000	7,50,000	13,00,000	7,50,000
	Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	11.60	11.60	20.14	11.60
	Percentage of Shares (as a % of the total share capital of the company)	6.80	6.80	11.78	6.80
	<b>Non Encumbered</b>				
	Number of Shares	57,12,837	57,12,837	51,62,837	57,12,837
	Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	88.40	88.40	79.86	88.40
	Percentage of Shares (as a % of the total share capital of the company)	51.75	51.75	46.77	51.75



Notes:

- 1) The results for the Quarter ended June 30, 2014 have been reviewed by the statutory auditors and taken on record at the meeting of Board of Directors held on 14th August 2014.
- 2) Consequent to the adoption of the revised estimates of the useful life of the Fixed Assets of the Company as stipulated in Schedule II of the Companies Act, 2013 w.e.f. 1<sup>st</sup> April, 2014, the Depreciation for the Current Quarter is not material. Further, in respect of the residual value of Assets wherein the remaining useful life has become 'NIL' an amount of Rs.51.95 lacs has been written off as exceptional item, since there are no retained earnings available as at that date for adjustment of the same.
- 3) The company currently has only one segment, i.e. Animation services
- 4) No provision for taxes has been made in the accounts on account of the losses incurred by the company.
- 5) The Auditors in their report on the Annual Accounts for the year ended 31<sup>st</sup> March, 2014 have reported as an Emphasis of Matter that in view of the fact that the Company has suffered cash losses, the net worth as on that date has been fully eroded and that the Current Liabilities exceed Current Assets, there is a concern about the ability of the Company to continue as a going concern. However, the management is of the opinion that considering the future expected cash flows and support from the holding company, the Company will be in a position to continue as a going concern and the Accounts have been drawn up on that basis.

6) Information on Investor complaints (numbers)

Pending at the beginning of the quarter	:	Nil
Received during the quarter	:	01
Resolved/replied during the quarter	:	01
Unresolved at the end of the quarter since resolved	:	Nil

Place: Chennai

For and on behalf of the Board,



CHAIRMAN

Date: August 14, 2014