

S.K.RAM ASSOCIATES

Chartered Accountants
Old No. 57/2, New No. 103
P.S. Sivaswamy Salai, Mylapore
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INDEPENDENT AUDITOR'S REPORT

To the members of **Accel Technologies Ltd, United Kingdom.**

We have audited the attached Balance Sheet of ACCEL TECHNOLOGIES LTD, UNITED KINGDOM (hereinafter referred to as the company") as at 31st March 2017 and related Statement of Profit and Loss for the year ended on that date annexed thereto and a summary of accounting policies and other explanatory information. These financial statements have been prepared by the Company's management as per Generally Accepted Accounting Principles adopted in India for the purpose of consolidating the company's financials with that of the holding company.

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 state of affairs and results of operations of the company in accordance with the Generally Accepted Accounting Principles adopted in India; this 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 to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with standards on auditing issued by the ICAI. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain the reasonable assurance about whether the financial statements are free from material misstatements.

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 judgement, including the assessment of the risk of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor consider the internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design the audit procedure that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluation 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.



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Opinion

In our opinion and to the best of our information and according to the explanation given to us, the financial statements give a true and fair view of the state of affairs of the company as at 31st March, 2017, and of its results of operations for the year then ended in accordance with Generally Accepted Accounting Principles adopted in India.

For S K Ram Associates
Chartered Accountants
ICAI Firm Registration Number: 2842S



K. Balaji
Membership Number: 202916
Place of Signature: Chennai
Date: 27th April 2017



Accel Technologies Ltd, UK

Balance sheet as at

(All amounts in GBP lakhs, unless otherwise stated)

	Notes	31-Mar-17 GBP	31-Mar-16 GBP
Equity and liabilities			
Shareholders' funds			
Share capital	2.1	0.20	0.20
Reserves and surplus	2.2	(1.73)	(1.41)
		(1.53)	(1.21)
Non-current liabilities			
Long-term borrowings	2.3	1.52	1.19
		1.52	1.19
Current liabilities			
Other current liabilities	2.4	0.06	0.05
		0.06	0.05
TOTAL		0.05	0.03
Assets			
Current assets			
Cash and bank balances	2.5	0.01	0.01
Short-term loans and advances	2.6	0.04	0.02
		0.05	0.03
TOTAL		0.05	0.03

Significant Accounting Policies	1
Notes to the Balance Sheet	2
Other Notes	4
<i>As per our report of even date</i>	

For S K RAM ASSOCIATES
Firm Registration No.2842S

Chartered Accountants



B. Balaji

Membership No.202916

Place: Chennai, India
Date : 27th April 2017

For and on behalf of the Board

M. Melita
Director

P. Prabhakar
Director
MK

Accel Technologies Ltd, UK

Statement of Profit and loss account for the year ended

(All amounts in GBP lakhs, unless otherwise stated)

	Notes	31-Mar-17 GBP	31-Mar-16 GBP
Expenses			
Other expenses	3.1	0.32	0.29
Total (II)		0.32	0.29
Earnings before interest, tax, depreciation and amortization (EBITDA) (I) - (II)		(0.32)	(0.29)
Finance costs (Net)		0.00	0.00
Profit/(loss) before tax		(0.32)	(0.29)
Profit/(loss) for the year from continuing operations		(0.32)	(0.29)

Significant Accounting Policies	1
Notes to the Statement of Profit and Loss Account	3
Other Notes	4
<i>As per our report of even date</i>	

For S K RAM ASSOCIATES

Firm Registration No.2842S

Chartered Accountants


R. Balaji

Membership No.202916



For and on behalf of the Board


M. Mehta
Director


P. Balakrishnan
Director
MK

Place: Chennai, India
Date : 27th April 2017

Accel Technologies Ltd, UK

(All amounts in GBP in lakhs, unless otherwise stated)

Cash Flow Statement for the period	March 31, 2017 GBP	March 31, 2016 GBP
<u>Cash flows from operating activities</u>		
Net profit / (loss) for the year before tax Adjustment for:		
Finance cost	(0.32)	(0.29)
	0.00	0.00
Operating profit / (loss) before reinvestment of capital	(0.32)	(0.29)
(Increase)/Decrease in current assets	(0.02)	0.01
Increase/(Decrease) in trade and other payables	0.01	0.01
Cash generated from / (used in) operations	(0.33)	(0.27)
Tax (paid)		-
Net cash flows from operating activities	(0.33)	(0.27)
Cash flows from financing activities:		
Equity		
Loan received/(repaid)	0.33	0.25
Interest paid		-
Net cash flows from/ (used in) financing activities	0.33	0.25
Net Increase/(decrease) in cash & cash equivalents	0.00	(0.02)
Cash & cash equivalents at the beginning of the year	0.01	0.03
Cash & Cash equivalents at end of the year	0.01	0.01

As per our report of even date

For S K RAM ASSOCIATES

Firm Registration No.2842S

Chartered Accountants



R. Balaji

Membership No.202916

Place: Chennai, India

Date : 27th April 2017

For and on behalf of the Board

M. Mehta.

Director

R. Balaji

Director

MK

Accel Technologies Ltd, UK
(All amounts in GBP in lacs, unless otherwise stated)

4.6. RELATED PARTY INTEREST IN CONTRACTS:

Mr. V.Mohan Nair - Director

Mr. V. Mohan Nair, Director is also a director in V2S Enablers Ltd, which provides marketing services to the company on the normal commercial terms.

4.7. Capital Commitments:

The Company has no capital commitments, which would require disclosure as at March 31, 2017.

4.8. Contingent Liabilities:

There are no contingent liabilities as at the balance sheet date, which would require provision or disclosure.

4.9. Earning per Share

The earnings considered in ascertaining the company's basic and diluted earnings per share comprise of the net profit/(loss) after tax . The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the year. The number of shares used in computing the diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share and also the weighted average number of shares if any which would have been issued on the conversion of all dilutive potential equity shares.

4.10. Measurement of EBITDA

The company measures EBITDA on the basis of profit / (loss) from continuing operations. In its measurement does not include depreciation and amortization expense, finance costs and tax expense

4.11. Comparative Figures:

Previous year figures have been regrouped / reclassified wherever necessary to conform with current year presentation.

As per our report attached

For S K RAM ASSOCIATES
Chartered Accountants
Firm Registration No. 6342S



R. Bajaji
Membership No. 202916

Place: Chennai, India
Date : 27th April 2017

For and on behalf of the Board

M. Mehta
Director

P. Pralimb
Director
MK

Accel Technologies Ltd, UK

2. Notes to the balance sheet

(All amounts in GBP lakhs, unless otherwise stated)

2.1. Share capital

Issued, Subscribed & Paid up

19,500 (March 31, 2014: 19,500) equity shares of GBP.1/- each

Total

As at Mar 31,
2017 - GBP

As at March 31,
2016 - GBP

0.20

0.20

0.20

0.20

2.2 Reserves & surplus

Surplus / (deficit) in the profit and loss account

Balance as at the beginning of the year

Profit / (Loss) For The Year

Total

As at Mar 31,
2017 - GBP

As at March 31,
2016 - GBP

(1.41)

(1.12)

(0.32)

(0.29)

(1.73)

(1.41)

2.3 Long term borrowings

Loans and advances from related parties

Total

As at Mar 31,
2017 - GBP

As at March 31,
2016 - GBP

1.52

1.19

1.52

1.19

2.4 Other current liabilities

Other Payables

Total

As at Mar 31,
2017 - GBP

As at March 31,
2016 - GBP

0.06

0.05

0.06

0.05

All known liabilities have been accounted in preparing the financial statements.

Liabilities classified as current liabilities on the balance sheet date are those, which fall due for payment on demand within one year from the balance sheet.

2.5 Cash and Cash equivalents

Cash on Hand

Balances with Banks

- on current accounts

Total

As at Mar 31,
2017 - GBP

As at March 31,
2016 - GBP

0.01

0.01

0.01

0.01

2.6 Short term loans and advances

Prepaid Expenses

Security deposits

Balances with government authorities

Total

As at Mar 31,
2017 - GBP

As at March 31,
2016 - GBP

0.02

-

0.01

0.01

0.01

0.01

0.04

0.02

M.A.

A.P.K.

Accel Technologies Ltd, UK

3. Notes to the Statement of Profit and Loss account for the year ended
(All amounts in GBP lakhs, unless otherwise stated)

3.1 Other expenses

	31-Mar-17	31-Mar-16
	In GBP	In GBP
Rent	0.08	0.06
Communication costs	0.01	0.01
Travelling and conveyance	0.02	0.01
Printing and stationery	0.00	0.00
Legal and professional fees	0.21	0.21
Total	0.32	0.29

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Accel Technologies Ltd, UK

(All amounts in GBP in lacs, unless otherwise stated)

4. Other Notes forming part of Financial Statements for the Year Ended March 31, 2017.

4.1 Legal status and business activity:

Accel Technologies Ltd, UK, a company incorporated under the laws of UK. The company is primarily engaged in rendering software services.

During the year the company did not have any revenue, as the company was involved in market study to pitch in some of the products developed for mass manufacture & distribution.

4.2 Changes in equity:

Particulars	Issued Capital/ Share application Money	Accumulated Profit/(loss)	Total
Balance as on March 31, 2016			
	0.20	(1.41)	(1.21)
Profit/(Loss) for the year ending Mar 31, 2017			
	-	(0.32)	(0.32)
Balance as on March 31, 2017	0.20	(1.73)	(1.53)

4.3. REVENUE RECOGNITION:

Revenue is generally accounted for on accrual basis and is recognized as follows:

a) Services: Revenue is recognized over the period in which the service is provided.

b) Software services:

Revenue on time-and-material contracts are recognized as the related services are performed and revenue from the end of the last billing to the Balance Sheet date is recognized as unbilled revenues.

Revenue from fixed-price and fixed-timeframe contracts, where there is no uncertainty as to measurement or collectability of consideration, is recognized based upon the percentage of completion method. When there is uncertainty as to measurement or ultimate collectability revenue recognition is postponed until such uncertainty is resolved. Provision for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the current estimates.

4.4. RELATED PARTIES TRANSACTION

Name of the Party	Nature of Relationship
Accel Frontline Limited, India	Holding company
Accel North America Inc	Fellow Subsidiary
Network Programs Usa, Inc.	Fellow Subsidiary

KEY MANAGERIAL PERSONNEL:

Mr. Malcolm F Mehta	Director
Mr. V. Mohan Nair	Director
Mr. Milind Kalurkar	Director

4.5. The transactions with its related parties are as follows :

Particulars	Holding Company	Fellow Subsidiary
Purchases	-	-
Income	-	-
Receivables	-	-
Payables	54,644 (54,644)	97,743 (64,501)

Note: Item under parenthesis represent previous year figures

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