



AFL/SN/SE/036/2014-2015 November 04, 2014

The National Stock Exchange of India Ltd Exchange Plaza Bandra Kurla Complex Bandra East Mumbai 400 051

The Bombay Stock Exchange Ltd P.J. Towers Dalal Street Mumbai 400 001

Dear Sir,

Sub: Outcome of the Board meeting held on 04.11.2014 pursuant to the provisions of Clause 41 of the Listing Agreement.

We are pleased to inform you that the Board of Directors at its meeting held on 4th November, 2014 have taken the following decisions.

- Considered and approved Stand-alone and Consolidated un audited financial results for the quarter ended 30.09.2014 on the recommendation of the Audit Committee. Copy of the results is enclosed as Annexure – I
- A Copy of the Limited Review report from the Auditors is also attached as Annexure II
- > A copy of the Statement of Assets & Liabilities as annexure III

Please arrange to take the same on record.

Yours faithfully, For Accel Frontline Limited

Sweena Nair

Company Secretary.

Accel Frontline Limited
Regd Office: 75, Nelson Manickam Road, Aminjikara, Chennai - 600 029
CININO: L30006TN1945PLC031736
Statement of Unaudited results for the Second Quarter and Six Months ended 30 September 2014

Particulars Months Perceding 3 Corosponding Perceding 3 Corosponding Perceding 3 Corosponding Perceding 3 Corosponding Perceding 3 P	Part I				(Rs. In Lakhs)	akths)					(Rs. In Lakhs)	Laktns)		
Particulars Thombia Pre-coding 3 Corresponding of the previous year state of the previous year and a condex of the condex of the previous year and a condex of the condex o	1				CONSOL	DATED					STANDALONE	ALONE		
September Sept		Particulars	3 Months	_	Correspondin	Year to date	Year to date	Previous year	3 Months	Preceding 3	_	Year to date	Year to date	Previous year
Specialist Special September 30 June 2014 and September 1 September 2 Solid and September 1 September 2 Solid and September 1 September 2 Solid and September 3 Solid an			ended 30	months ended		figures for	figures for the	ended 31	ended 30	months ended	90	figures for		ended 31
persions (Net of excise duty) 11,891			September	30 June 2014	ended	current period	previous year	March 2014	September	30 June 2014	ended	current period	죠.	March 2014
perations (Net of excise duty) 11,891 9,889 11,090 21,780 18,822 42,134 8,993 and stock-in-rade 20,989 11,090 21,780 18,822 42,134 8,993 and stock-in-rade 20,990 21,090 21,090 21,780 17,602 3,790 21,990 21,090 21,780 21,780 21,780 21,134 8,993 and stock-in-rade 20,990 21,090			4107		30 September	engeg 30	enged 30		4107		30 September	enaed 30	ended 30	
perations (Net of excise duty) 11,891 9,889 11,050 21,780 18,822 42,134 8,993 ansumed and stock-in-trade 4,984 3,446 4,606 8,430 2,1780 11,891 9,889 11,050 21,780 11,892 4,134 8,993 4,134 9,893 11,050 2,1780 11,891 11,891 9,889 11,050 2,1780 11,891 11,8993 11,891 11,891 11,891 11,891 11,891 11,891 11,891 11,89					2013 in the	September 2014	September 2013				2013 in the previous vear	September 2014	September 2013	
perations (Net of excise duty) 11,891 11,891 11,891 11,892 11,050 11,070			(Reviewed)	LI	(Reviewed)	(Reviewed)	(Reviewed)	(Audited)	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)	(Audited)
permittons (Net of excise duty) 11,891 11,89	L 3	Come from Onergions												
High 9,889 11,050 21,760 18,822 42,134 8, 82 (14) 4,666 8,430 6,779 17,602 3, 17,602 1,08 (15) 1,094 2, 2,594 2,2,595 2,594 2,2,38 2,563 1,691 3,173 1,132 1,562 823 2,685 1,691 3,173 1,133 1,562 823 2,246 3,975 8,128 1,107 1,103 1,092 9,210 1,203 1,201,33 17,34 1,107 1,103 1,201,33 1,1445 2,960 8, 100,23 1,001 6,1 9, 100 6,1 9,	@	Net Sales/income from operations (Net of excise duty)	11,891	6886	11,050	21,780	18,822	42,134	8,993	7,196	7,501	16,189	13,618	29,680
stock-in-trade	<u>`</u> e	Other operating income	,	•	1		•	•				•		
stock-in-trade 4,984 3,446 4,606 8,430 6,779 17,602 3, 4,984 (15) (15) (15) (15) (15) (15) (15) (15)	_⊢	otal income from Operations (net) (a)+(b)	11,891	688'6	11,050	21,780	18,822	42,134	8,993	7,196	7,501	16,189	13,618	29,680
srock-in-trade 1,984 3,446 4,606 8,430 6,779 17,602 3, 3, 4, 6, 6, 6, 79 17,602 3, 1, 6, 1, 108 1, 1, 108 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1,	<u> </u>	xpenses												
stock-in-trade 4,984 3,446 4,606 8,430 6,779 17,602 3, stock-in-trade 2,909 2,654 2,348 5,563 4,724 9,394 2, 275 270 2,444 5,45 5,1631 1,107 1,1123 1,502 3,975 8,128 1,1107 1,1123 1,307 2,193 2,746 3,975 8,128 1,1107 1,1123 1,307 1,501 3,975 8,128 1,1107 1,112 1,439 1,3173 1,1128 5,64 1,647 1,286 2,444 1,1011 6,92 907 1,703 1,445 2,960 1,282 2,441 1,1011 6,92 907 1,703 1,445 2,960 1,282 2,441 1,1011 6,92 907 1,703 1,445 2,960 1,282 2,441 1,1011 6,92 907 1,703 1,445 2,960 1,282 2,441 1,1011 6,92 1,106 1,282 2,441 1,106 1,106 1,282 2,441 1,106 1,106 1,282 2,441 1,106 1,106 1,106 1,282 2,441 1,106 1,106 1,282 2,441 1,106 1,106 1,282 2,441 1,106 1,106 1,282 2,441 1,106 1,		a) Cost of raw materials consumed	85	(14)	,	11	,	72	85	(14)	1	11	•	27
stock-in-trade 108 (15) (15) 93 (151) 214 2, 248 2, 2563 4,724 9,394 2, 247 1,127 1,107 1,		b) Purchase of stock-in-trade	4,984	3,446	4,606	8,430	6,779	17,602	3,790	2,229	3,184	6,019	5,187	12,185
2,909 2,654 2,388 5,563 4,724 9,394 2, 275 270 274 545 1,691 1,107 1,123 1,562 8,23 2,685 1,691 1,107 1,432 1,307 2,193 2,746 3,975 8,128 1,432 1,307 2,193 2,746 3,975 8,128 1,563 679 779 1,647 1,286 2,444 2,564 1,011 692 907 1,703 1,445 2,960 2,54 1,51 61 9 46 70 62 2,976 1,69 1,68 1,51 564 1,01 449 2,976 2,97	_ =	Changes in inventories of finished goods and stock-in-trade	108	(15)	(13)	93	(151)	214	\$	4	(13)	94	(151)	175
1,123 1,562 274 545 518 1,107 1,113 1,152 2,085 1,691 3,173 1,114 1,14	_ ~	I) Employee benefits expense	2,909	2,654	2,388	5,563	4,724	9,394	2,003	1,833	1,583	3,836	3,240	6,135
1,123 1,562 823 2,685 1,691 3,173 1,1430 1,1430 1,136 39,690 8,1691 1,1430 1,1430 1,137 2,144 1,1430 1,1430 1,1440	_ ဗ	Depreciation and amortisation expense	275	270	274	545	518	1,107	239	229	246	468	464	972
1,439	_=	Sub-contracting and outsourcing cost	1,123	1,562	823	2,685	1,691	3,173	1,082	1,207	823	2,289	1,691	3,174
10,923 9,210 10,271 20,133 17,536 39,690 8,8 inance costs(1-2) 968 679 779 1,647 1,286 2,444 8,244	. es	Other expenses	1,439	1,307	2,193	2,746	3,975	8,128	1,126	1,011	940	2,137	1,808	4,579
rest (7-8) 43 13 13 128 56 159 516 516 517 417 197 617 418 518 518 519 619 619 619 619 619 619 619	ĭ	tal expenses $(a)+(b)+(c)+(d)+(e)+(f)+(g)$	10,923	9,210	10,271	20,133	17,536	39,690	8,379	6,535	6,763	14,914	12,239	27,292
costs(3+4)	<u>~</u>	rofit from operations before other income, finance costs(1-2)	896	6.49	611	1,647	1,286	2,444	614	199	738	1,275	1,379	2,388
costs(3 + 4) 1,011 692 907 1,703 1,445 2,960 7 1,011 692 2,411 1,069 1,282 2,411 7 197 634 163 519 7 1,069 1,282 2,411 7 197 634 163 519 7 10 1,069 1,082 1,082 2,976 2,	<u>.</u> ō	herincome	43	13	128	56	159	516	21	7		23		234
554 515 710 1,069 1,282 2,441 457 177 197 634 1,683 519 61 9 46 15 634 163 519 70 69 168 151 564 101 49 837 180 184 4 87 35 (112) 9,376 2,976 2,426 2,976 2,976 2,976 2,976 balance sheet of 110 0.50 0.62 1.60 0.42 176	_뉴	ofit from ordinary activities before finance costs(3 + 4)	1,011	692	206	1,703	1,445	2,960	635	663	739	1,298	1,379	2,622
457 177 197 634 163 519 61 9 46 70 62 70 70 168 151 564 101 49 (69) (18) 4 (87) 35 (112) 327 150 155 477 136 337 2,976 2,976 2,976 2,976 2,976 2,976 balance sheet of 110 0.50 0.62 1.60 0.42 176	昆	nance costs	554	515	710	1,069	1,282	2,441	516	495	576	1,011	1,105	2,327
terest fraces but before minority interest (7-8) 396 168 151 564 101 449 terest (69) (18) (18) 47 (87) 35 (112) (112) terest (69) (18) (18) 47 (87) 35 (112)	۾_	ofit from ordinary activities before tax (5-6)	457	177	197	634	163	519	611	168	163	287	274	295
ster taxes but before minority interest (7-8) 396 168 151 564 101 449 terest (69) (18) 4 (87) 35 (112) for the period (9+10) 2,976 2,976 2,976 2,976 2,976 2,976 per share Rs.10) counting revaluation reserves as per the balance sheet of counting year 8 Per Share (EPS) lue of Rs. 10/- each) (not annualised): 1.10 0.50 0.62 1.60 0.42 1.76	<u>"</u> "	x expense	61	6	46	70	62	70	22	6	46	31	62	S
for the period (9+10) 27	ž	et Profit after taxes but before minority interest (7-8)	366	168	151	564	101	644	46	159	117	256	212	245
for the period (9+10) 327 150 155 157 158 337 138 337 138 337 138 337 138 2,976	_≅	nonty interest	(69)	(18)	4	(87)	35	(112)	_	-	_	_	•	•
uity share capital 2,976 </td <th>Z</th> <td>et Profit for the period (9+10)</td> <td>327</td> <td>150</td> <td>155</td> <td>477</td> <td>136</td> <td>337</td> <td>26</td> <td>651</td> <td>117</td> <td>256</td> <td>212</td> <td>245</td>	Z	et Profit for the period (9+10)	327	150	155	477	136	337	26	651	117	256	212	245
per share Rs.10) counting revaluation reserves as per the balance sheet of counting year s Per Share (EPS) lue of Rs. 10/- each) (not annualised): 1.10 0.30 0.42 1.70	<u>, 2</u>	aid- up equity share capital	2,976	2,976	2,426	2,976	2,426	2,976	2,976	2,976	2,426	2,976	2,426	2,976
counting revaluation reserves as per the balance sheet of counting year S Per Share (EPS) lue of Rs. 10/- each) (not annualised): 1.10 0.30 0.42 1.76	۳	ace value per share Rs.10)	-		-									
counting year 8 Per Share (E.PS) lue of Rs. 10/- each) (not annualised): 1.10 0.30 0.42 1.76	24	eserves excluding revaluation reserves as per the balance sheet of		•				9,271						9,290
lue of Rs. 10/- each) (not annualised): 1.10 0.50 0.62 1.60 0.42 1.76	<u>. بتق</u>	evious accounting year											<u> </u>	
1.10 0.50 0.62 1.60 0.42 1.76	ي ج	Earnings For Share (E.F.S) Face value of Re. 10/- each) (not annualised)												
	ટું હ	Basic	1.10	0:50	0.62	1.60	0.42		0.33	0.53	0.49	0.86	0.87	0.96
1.16 0.50 1.60 0.42 1.76	ج ر	(A) Diluted	1.10	(F)	690	160	0.42		0.33	0.53	040	0.86	78.0	96.0
0(1)	_		OT:T	21.0	70	0			CC:5		÷.	20.5	20:0	000

For Accel Frontline Limited

Select Information for the Second Quarter and Six Months Ended 30 September 2014 Regd Office: 75, Nelson Manickam Road, Aminjikarai, Chennai - 600 029 CINNO: L 3000 6 TN 1995 PLCO317 36

PART II	II II						
Z S	SI No Particulars	3 Months ended 30 September 2014	Preceding 3 months ended Corresponding 3 months 30 June 2014 ended	Corresponding 3 months ended	Year to date figures for current period ended 30	Year to date figures for the previous year ended 30	Previous year ended 31 March 2014
		•	,	30 September 2013 in the previous year	September 2014	September 2013	
Ĺ	A PARTICULARS OF SHAREHOLDING						
	I Public shareholding				600 T36 5		
	- Number of snares - Percentage of shareholding	3,201,922	10.98%	34.35%	10.98%	34.35%	10.98%
	2 Promoters and Promoter Groun Strareholding		,		,		
	a) Pledged / Encumbered						
	- Number of shares	2,000,000	3,200,000	4,400,000	2,000,000	4,400,000	3,200,000
	- Percentage of shares (as a % of the total shareholding of	7.55%	12.08%	27.63%	7.55%	27.63%	12.08%
	promoter and promoter group)						
	- Percentage of shares (as a % of the total share capital of the	6.72%	, 10.75%	18.14%	6.72%	18.14%	10.75%
	company)						
	b) 140n — enclamoeted	130 403 051	23 203 051	11 527 051	24 403 051	11 527 051	23 293 051
	- Percentage of shares (as a % of the total shareholding of the				92.45%	72.37%	87.92%
	Promoter and Promoter group)					-	
	- Percentage of shares (as a % of the total share capital of the	82.30%	78.27%	47.51%	82.30%	47.51%	78.27%
	(company)						

B INVESTOR COMPLAINTS

The Company did not receive any investor complaints during the quarter. Opening - 0, Received - 0, Disposed off - 0 and Closing - 0

1. The above results were reviewed by the Audit Committee and approved and taken on record by the Board at its meeting held on 4 November 2014 and a limited review of the same has been carried out by the Statutory Auditors of the Company.

2. The consolidated financials results comprises the financial results of the Company and its subsidiaries

performed internal and external rechnical evaluation to assess the useful life and currently, the depreciation is being provided based on higher useful life, than envisaged in Schedule II. Consequently, the depreciation for the three and six months ended 3. Effective 1 April 2014, the Group has revised the useful life of Fixed Assets based on Schedule II to the Companies Act, 2013 for the purpose of providing depreciation on Fixed Assets. Further, in respect of certain IT assets, the group has 30 September 2014 is higher by Rs. 46 lakhs and Rs. 78 lakhs respectively. Further, an amount of Rs. 139 lakhs, net of taxes, represents the carrying amount of assets with revised useful life as nil, which has been charged to the opening reserves as on 1 4. With respect to certain annual maintenance contracts which are being backlined by the Company to respective Original Equipment Manufacturers (OEMs), the Company has pro-rated the cost of such back to back services whereas the revenue has been recognised on the date of billing instead of straight-lining the revenue over the period of the contract, as according to the Sempany the service responsibility lies upon such OBMs. The management is currently in the process of collating the relevant information relating to these contracts to evaluate and assess the impact of such revenue recognition. This is a subject matter of qualification in the limited review report for the quarter ended 30 September 2014.

5. The figures for the corresponding previous periods have been regrouped / reclassified wherever considered necessary to conform to the figures presented in the current period.

For Accel Frontline Limited Executive Chairman N.R. PANICKER

Accel Frontline Limited
C 1 N NO: L30066TN 1995PLC031736
Segment-wise Revenue, Result and Capital Employed

			Consolidated	idated					Stan	Standalone
Particulars	3 Months ended	Preceding 3	Corresponding 3	Year to date	Year to date	Previous year	3 Months ended	Preceding 3	Corresponding 3	Year to date
	30 September	months ended 30	months ended	figures for	figures for the	ended 31 March	30 September	months ended 30	months ended	figures for current
	2014	June 2014	30 September	current period	previous year	2014	2014	June 2014	30 September	period ended 30
		,	2013 in the	ended 30	ended 30				2013 in the	September 2014
			previous year	September 2014	September 2013				previous year	
1. Segment Revenue									:	
Systems Integration	6,720	4,382	5,994	11,102	8,937	22,276	4,442	2,280	3,087	6,722
Infrastructure Management Services	2,511	2,815	2,412	5,326	4,817	9,318	2,511	2,815	2,404	5,326
Software Services	1,807	2,032	1,803	3,839	3,472	7,203	1,280	1,541	1,294	2,821
Warranty Management Services	761		716	1,321	1,365	2,978	092	999	716	1,320
Training	82	100	125	192	231	359	-	•		1
Net Sales / Income from Operations	11,891	688'6	11,050	21,780	18,822	42,134	8,993	7,196	7,501	16,189
2 Segment result										
Systems Integration	526		226	099	136	603	162	29	(13)	191
Infrastructure Management Services	989	582	899	1,162	1,237	1,482	581	285	517	1,163
Software Services	190		279	412	343	695	176	290	220	466
Warranty Management Services	(10)		71	(09)	91	121	(10)	(05)	12	09)
Training	19		9	13	<u>6</u>	(98)	,	r		,
Total	1,305		1,250	2,187	1,804	2,689	606	851	736	1,760
Less: (i)Interest expenses	554		710	1,069	1,282	2,441	\$16	495	925	1,011
Less ; (ii)Other unallocable expenses	337	203	471	540	518	245	295	190	0	485
Add Other income	43	13	128	99	159	516	21	2	1	23
Total Profit Before Tax	457	177	197	634	163	519	119	168	163	287
3. Capital Employed (Segment assets - Segment Liabilities)									:	
Systems Integration	098'9	5,050	3,909	6,360	3,909	5,660	4,614	4,181	2,420	4,614
Infrastructure Management Services	2,809		2,125	2,809	2,125	2,436	2,809	2,447	2,125	2,805
Software Services	1,941	2,290	1,558	1,941	1,558	1,653	2,211	2,817	1,866	2,211
Warranty Management Services	1,050		331	1,050	331	813	1,050	859	331	1,050
Training	(423)		28	(423)	28	380		,	•	
Unallocated	1,723	1,910	1,314	1,723	1,314	1,926	1,723	1,910	3,016	1,723
Total Capital Employed	13,460		9,265	13,460	9,265	12,868	12,407	12,214	9,758	12,407



Accel Frontline Limited
CINNO: L30006TN1995PLC031736
Statement of Assets and Liabilities

Statement of Assets and Liabilities	Consolidat	ted	Standalor	e
Particulars	As at	As at	As at	As at
Faluculais	30 September 2014	31 March 2014	30 September 2014	31 March 2014
EQUITY AND LIABILITIES				
_				
Shareholders' funds				
Share capital	2,976	2,976	2,976	2,976
Reserves and surplus	9,783	9,271	9,431	9,290
	12,759	12,247	12,407	12,266
Minority Interest	701	621	-	ur.
Non-current liabilities				
Long-term borrowings	5,263	1,675	3,281	3,041
Deferred tax liability, net	344	371	344	371
Long-term provisions	427	309	341	252
bong term provisions	6,034	2,355	3,966	3,664
Current liabilities				
Short-term borrowings	9,697	10,213	9,674	8,599
Trade payables	8,225	8,195	7,127	5,770
Other current liabilities	2,760	4,193	2,141	3,473
	20,682	22,601	18,942	17,842
Total	40,176	37,824	35,315	33,772
ASSETS				
Non-current assets		į		
Fixed assets				
Tangible assets	2,280	2,452	1,941	2,120
Intangible assets	2,280	2,448	1,949	2,099
Capital work-in-progress	216	20	216	20
Goodwill on consolidation	1,464	1,311		-
Non-current investments	30	30	2,498	2,498
Long-term loans and advances	1,162	1,516	997	1,155
Long-term trade receivables	650	640	291	291
Other non current assets	519	57	519	256
	8,601	8,474	8,41!	8,439
Current assets			Í	
Inventories	4,044	4,106	4,001	4,066
Trade receivables	16,792	14,654	13,617	11,629
Cash and bank balances	2,425	1,911	1,071	757
Short-term loans and advances	4,899	5,230	4,986	5,455
Other current assets	3,415	3,449	3,229	3,426
	31,575	29,350	26,904	25,333
Total	40,176	37,824	35,315	33,772

Date: 4 November 2014

Place: Chennai

For Accel Frontline Limited

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ANNEXUREIT

Walker Chandiok & Co LLP

Walker Chandiok & Co LLP (Formerly Walker, Chandiok & Co) Arihant Nitco Park, 6th Floor No. 90, Dr. Radhakrishnan Salai Mylapore, Chennai 600004 India

T +91 44 4294 0000 F +91 44 4294 0044

Review Report

To the Board of Directors of Accel Frontline Limited

- 1. We have reviewed the accompanying statement of unaudited consolidated financial results ("the Statement") of Accel Frontline Limited ("the Company"), its subsidiaries, (collectively referred to as "the Group") for the quarter ended 30 September 2014 and the year to date results for the period 01 April 2014 to 30 September 2014 except for the disclosures regarding Public Shareholding' and Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
- 2. We conducted our review in accordance with the Standard on Review Engagements (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 Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures, applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
- 3. As more fully disclosed in note 4 to the statement, during the quarter and six months period ended 30 September 2014 the Company has recognized revenue, from certain annual maintenance contract services aggregating to ₹ 507 lakhs and ₹ 1,812 lakhs respectively, using a method which in our opinion is contrary to the principles of revenue recognition as laid down under the Accounting Standard (AS) 9 Revenue Recognition'. However, in the absence of comprehensive information we are unable to comment on the impact, if any, on the statement for the quarter and six months period ended 30 September 2014.
- 4. Based on our review conducted as above and upon consideration of reports of other auditors, except for the effects of qualification as described in the previous paragraph, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable accounting standards, as notified under the Companies (Accounting Standards) Rules, 2006 read with Rule 7 of the Companies (Accounts) Rules, 2014 in respect of Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies has not disclosed the information



Walker Chandiok & Co LLP

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 misstatement.

- 5. We did not review the interim financial results of 8 subsidiaries, included in the Statement, whose interim financial results reflect total revenues (after eliminating intra-group transactions) of ₹ 3,407 lakhs net profit after tax and prior period items (after eliminating intra-group transactions) of ₹ 299 lakhs for the quarter ended 30 September 2014 and total assets of ₹ 4,044 lakhs as at quarter ended 30 September 2014. These interim financial results have been reviewed by other auditors whose review reports have been furnished to us and our opinion in respect thereof is based solely on the review reports of such other auditors. Our review report is not qualified in respect of this matter.
- 6. The review of unaudited consolidated financial results for the three months period ended 30 June 2014 included in the Statement was carried out and reported by K. S. Aiyar & Co vide their unqualified review report dated 13 August 2014 whose review report has been furnished to us and which have been relied upon by us for the purpose of our review of the Statement. Our review report his not qualified in respect of this matter.

For Walker Chandiok & Co LLP

(formerly Walker, Chandiok & Co)

Chartered Accountants

Firm Registration Nq: 001076N/N500013

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CHENNAI

per Sumooh E·S

Partner

Membership No. 206931

Chennai

04 November 2014

Walker Chandiok & Co LLP

Walker Chandiok & Co LLP (Formerly Walker, Chandiok & Co) Arihant Nitco Park, 6th Floor No. 90, Dr. Radhakrishnan Salai Mylapore, Chennai 600004

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Review Report

To the Board of Directors of Accel Frontline Limited

- 1. We have reviewed the accompanying statement of unaudited financial results ("the Statement") of Accel Frontline Limited ("the Company") for the quarter ended 30 September 2014 and the year to date results for the period 01 April 2014 to 30 September 2014 except for the disclosures regarding Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
- 2. We conducted our review in accordance with the Standard on Review Engagements (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 Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures, applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
- 3. As more fully disclosed in note 4 to the statement, during the quarter and six months period ended 30 September 2014 the Company has recognized revenue, from certain annual maintenance contract services aggregating to ₹ 507 lakhs and ₹ 1,812 lakhs respectively, using a method which in our opinion is contrary to the principles of revenue recognition as laid down under the Accounting Standard (AS) 9 Revenue Recognition'. However, in the absence of comprehensive information we are unable to comment on the impact, if any, on the statement for the quarter and six months period ended 30 September 2014.
- 4. Based on our review conducted as above, except for the effects of qualification as described in the previous paragraph, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable accounting standards, as notified under the Companies (Accounting Standards) Rules, 2006 read with Rule 7 of the Companies (Accounts) Rules, 2014 in respect of Section 133 of the Companies Act, 2013 and other recognised 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 misstatement.



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5. The review of financial results for the three months period ended 30 June 2014 included in the Statement was carried out and reported by K. S. Aiyar & Co vide their unqualified review report dated 13 August 2014 whose review report has been furnished to us and which have been relied upon by us for the purpose of our review of the Statement. Our review report is not qualified in respect of this matter.

For Walker Chandiok & Co LLP

(formerly, Walker, Chandiok & Co)

Chartered Accountants

Firm Registration No: 001076N/N500013

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PED ACCO

per Sume Partner

Membership No. 206931

Chennai

04 November 2014