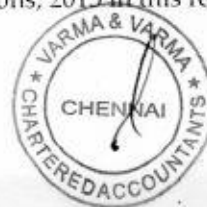


Auditor's Report On Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To  
Board of Directors  
Accel Transmatic Limited

1. We have audited the statement of financial results of M/s Accel Transmatic Limited for the year ended 31-03-2016 attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This statement of financial results, which are the responsibility of the company's management and approved by the Board of Directors, have been prepared on the basis of related Financial Statements which is in accordance with Accounting Standard prescribed, under Section 133 of the Companies Act, 2013 as applicable and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the statement based on the audit of related annual Financial Statements.
2. We conducted our audit in accordance with the Standards on Auditing issued by 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.
3. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the statements.
4. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements
5. In our opinion and to the best of our information and according to the explanations given to us the statement:
  - (i) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and



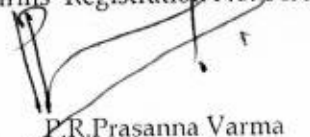
*Varma & Varma*  
*Chartered Accountants*

5. In our opinion and to the best of our information and according to the explanations given to us the statement:
- (i) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
  - (ii) gives a true and fair view of the net profit and other financial information for the year ended 31-03-2016.
6. Attention is invited to Note No.2. As stated therein, the figures for the quarter ended 31-03-2016 is the balancing figure between the audited figures in respect of full financial year and published unaudited year to date figures upto the third quarter of the current financial year which was subject to Limited Review by us.
7. Attention is invited to Note No.5 regarding Going Concern status of the company and Note No 6 regarding impairment in the carrying value of Intellectual Property Rights, on which matter we have drawn attention in the Auditors Report on the accounts for the year.
8. Also, as stated in Note No 7, the proposal for merger with its Holding Company is pending approval from concerned authorities.

Our opinion is not modified in respect of matters stated in Paras 6, 7 & 8.

Place: Chennai  
Date: 14<sup>th</sup> July 2016

For Varma & Varma  
Chartered Accountants  
Firms' Registration No. 04532S

  
P.R. Prasanna Varma  
Partner  
Membership No. 025854



**Accel Transmatic Limited**  
 Regd office : "Accel House", 75 Nelson Manickam Road, Aminjikarai, Chennai 600 029  
**Statement of Audited Results for the Quarter & Year ended March 31, 2016**  
 CIN : L30007TN1986PLC100219

Rs. in Lacs

Sl. No.	Particulars	Quarter Ended			Twelve Month Ended		Year Ended
		Audited	Un Audited	Audited	Audited	Audited	Audited
		31-Mar-16	31-Dec-15	31-Mar-15	31-Mar-16	31-Mar-15	31-Mar-15
1	<b>Income from operations</b>						
	Net Sales / Income from Operations	30.43	7.46	22.84	69.11	77.26	77.26
	<b>Total income</b>	<b>30.43</b>	<b>7.46</b>	<b>22.84</b>	<b>69.11</b>	<b>77.26</b>	<b>77.26</b>
2	<b>Expenditure</b>						
	a) Materials Consumed	11.71	-	-	11.71	-	-
	b) Cost of Services	17.99	6.22	40.59	79.34	84.48	84.48
	c) Employees Cost	21.16	14.12	5.89	63.86	55.37	55.37
	d) Depreciation	44.08	43.95	64.24	175.85	265.27	265.27
	e) Other Expenditure	184.29	20.31	205.55	256.20	271.20	271.20
	<b>f) Total Expenditure</b>	<b>279.23</b>	<b>84.60</b>	<b>316.27</b>	<b>586.98</b>	<b>676.32</b>	<b>676.32</b>
	Profit/(Loss) from Operations before Other Income, Finance Costs & Exceptional Items (1)-(2)	(248.80)	(77.14)	(293.43)	(517.87)	(599.06)	(599.06)
4	Other income	3.29	2.77	21.33	12.29	31.25	31.25
	Profit/(Loss) from Ordinary activities before Finance costs & Exceptional Items (3)+(4)	(245.51)	(74.37)	(272.10)	(505.58)	(567.80)	(567.80)
6	Finance Cost	13.15	14.86	20.54	59.96	87.10	87.10
	Profit/(Loss) from Ordinary Activities after Finance costs but before Exceptional Items (5)-(6)	(258.66)	(89.23)	(292.64)	(565.54)	(654.90)	(654.90)
8	Exceptional Items	-	-	(0.21)	-	51.74	51.74
	Profit (+) / Loss (-) from Ordinary Activities before tax (7+8)	(258.66)	(89.23)	(292.43)	(565.54)	(706.64)	(706.64)
10	Tax Expense						
	a. Current Tax						
	b. Deferred Tax						
	Net Profit (+) / Loss (-) from ordinary activities after tax (9 - 10)	(258.66)	(89.23)	(292.43)	(565.54)	(706.64)	(706.64)
12	Extraordinary Items						
13	Net Profit(+)/Loss(-) for the period (11)+(12)	(258.66)	(89.23)	(292.43)	(565.54)	(706.64)	(706.64)
14	Paid up Equity share capital - Face Value Rs. 10 Each	1,103.74	1,103.74	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					164.64	164.64
16	Earnings Per Share (of Rs 10/- each) (not annualised):						
	(i) Before Extraordinary Items						
	(a) Basic	(2.34)	(0.81)	(2.65)	(5.12)	(6.40)	(6.40)
	(b) Diluted	(2.34)	(0.81)	(2.65)	(5.12)	(6.40)	(6.40)
	(ii) After Extraordinary Items						
	(a) Basic	(2.34)	(0.81)	(2.65)	(5.12)	(6.40)	(6.40)
	(b) Diluted	(2.34)	(0.81)	(2.65)	(5.12)	(6.40)	(6.40)



Accel Transmatic Limited  
 Regd office : "Accel House", 75 Nelson Manickam Road, Aminjikarai, Chennai 600 029  
 Statement of Assets and Liabilities

Particulars	31-Mar-16	31-Mar-15
	Audited	Audited
<b>1 Shareholders' funds</b>		
(a) Share capital #	1,603.74	1,603.74
(b) Reserves and surplus	(3,197.36)	(2,631.22)
(c) Money received against share warrants		
<b>Sub-total - Shareholders' funds</b>	(1,593.62)	(1,027.48)
<b>2 Share application money pending allotment</b>		
<b>3 Minority interest *</b>		
<b>4 Non-current liabilities</b>		
(a) Long-term borrowings	2,296.89	1,949.47
(b) Deferred tax liabilities (net)	-	-
(c) Other long-term liabilities	-	-
(d) Long-term provisions	0.31	0.66
<b>Sub-total - Non-current liabilities</b>	2,297.00	1,950.13
<b>5 Current liabilities</b>		
(a) Short-term borrowings	-	-
(b) Trade payables	104.12	219.83
(c) Other current liabilities	127.92	82.63
(d) Short-term provisions	-	-
<b>Sub-total - Current liabilities</b>	232.04	302.46
<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>935.42</b>	<b>1,225.12</b>
<b>B ASSETS</b>		
<b>1 Non-current assets</b>		
(a) Fixed assets	712.56	885.63
(b) Goodwill on consolidation *	-	-
(c) Non-current investments	0.02	0.02
(d) Deferred tax assets (net)	-	-
(f) Trade receivables	-	-
(g) Long-term loans and advances	69.98	34.64
<b>Sub-total - Non-current assets</b>	782.56	920.29
<b>2 Current assets</b>		
(a) Inventory	6.93	-
(a) Trade receivables	27.85	149.07
(b) Cash and cash equivalents	1.77	1.03
(c) Short-term loans and advances	90.14	85.87
(d) Other current assets	26.17	68.85
<b>Sub-total - Current assets</b>	152.86	304.82
<b>TOTAL - ASSETS</b>	<b>935.42</b>	<b>1,225.11</b>

Note: # Includes Preferential Capital, Subscribed by the holding company, Accel Limited Rs. 500 Lakhs

**Segment wise Audited Results for the Quarter & Year ended March 31, 2016**

(Rs. in lacs)

Sl.No	Particulars	Quarter Ended			Twelve Months Ended		Year Ended
		Audited	Un Audited	Audited	Audited	Audited	Audited
		31-Mar-16	31-Dec-15	31-Mar-15	31-Mar-16	31-Mar-15	31-Mar-15
<b>1</b>	<b>Revenue by Industry segment</b>						
	Animation	9.98	4.64	22.84	45.84	77.26	77.26
	Engineering Services	20.16	2.82	-	22.97	-	-
	<b>Total segment Revenue</b>	<b>30.14</b>	<b>7.46</b>	<b>22.84</b>	<b>68.81</b>	<b>77.26</b>	<b>77.26</b>
<b>2</b>	<b>Segment Results</b>						
	Animation	(247.64)	(80.65)	(293.44)	(514.01)	(650.78)	(650.78)
	Engineering Services	(1.45)	(2.72)	-	(4.17)	-	-
	<b>TOTAL</b>	<b>(249.09)</b>	<b>(83.37)</b>	<b>(293.44)</b>	<b>(518.18)</b>	<b>(650.78)</b>	<b>(650.78)</b>
	<b>Less : Interest ( Net )</b>	<b>13.14</b>	<b>14.86</b>	<b>20.54</b>	<b>59.96</b>	<b>87.10</b>	<b>87.10</b>
	<b>Add: Unallocated Income</b>	<b>3.58</b>	<b>9.00</b>	<b>21.55</b>	<b>12.59</b>	<b>31.24</b>	<b>31.24</b>
	<b>Total Profit / ( Loss ) before tax</b>	<b>(258.65)</b>	<b>(89.23)</b>	<b>(292.43)</b>	<b>(565.55)</b>	<b>(706.64)</b>	<b>(706.64)</b>
<b>3</b>	<b>Capital Employed</b>						
	<b>Segment Assets - Segment Liabilities</b>						
	Animation	553.83	697.54	774.80	553.83	774.80	774.80
	Engineering Services	16.55	0.54	-	16.55	-	-
	Unallocated Segment Assets less unallocated Segment Liabilities	(2,164.01)	(2,032.89)	(1,802.28)	(2,164.01)	(1,802.28)	(1,802.28)
	<b>Total</b>	<b>(1,593.63)</b>	<b>(1,334.81)</b>	<b>(1,027.48)</b>	<b>(1,593.63)</b>	<b>(1,027.48)</b>	<b>(1,027.48)</b>



**Notes:**

- 1) The results for the Quarter & Twelve months ended March 31, 2016 have been audited by the statutory auditors and taken on record at the meeting of Board of Directors held on 14<sup>th</sup> July 2016.
- 2) The figures for the quarter ended 31-03-2016 is the balancing figure between the audited figures in respect of full financial year and published unaudited year to date figures upto the third quarter of the current financial year.
- 3) The company has currently two segments, i.e. Animation Services & Engineering 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 the report for the financial year ended 31-03-2016 had reported doubt about the ability of the company to continue as a going concern in view of the net worth being fully eroded. However, the management is of the opinion that considering the future expected cash flows and financial support from the holding company including the proposal to merge the holding company with the company, the Company will be in a position to continue as a going concern and hence the Accounts have been drawn up on that basis. The management has taken many steps in this regard including infusion of additional funds from the holding company to revive the operations.
- 6) In the opinion of the management there is no impairment as on the date of balance sheet in the value of the carrying cost of fixed assets of the company within the meaning of Accounting Standard - 28 on Impairment of Assets issued under The Companies (Accounting Standard) Rules 2006, considering the commercial earning potential of the company and based on the estimated future cash flow upon crystallization of enquiries received by the company for the intellectual property rights carried in the books as intangible assets.
- 7) As per the Madras High Court order the Company has conducted EGM of Shareholders of the Company to consider the merger proposal of its holding company M/s Accel Limited (Unlisted Company) with the Company on an application by the company as per the decision of the Board Meeting held on 27-03-2015 in respect of merger, on Friday 27<sup>th</sup> November 2015. The same was approved by the Shareholders in the meeting. Company has filed necessary application with Madras High Court for its approval. The Accounts have been drawn up without considering the said proposal.
- 8) The figures for the corresponding previous periods have been regrouped / reclassified wherever considered necessary to conform to the figures presented in the current period.
- 9) Information on Investor complaints (numbers)

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

Place: Chennai

Date: July 14, 2016

For and on behalf of the Board,



CHAIRMAN - 1

