

OS AA01

Statement of details of parent law and other
information for an overseas company



Companies House



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11/05/2018

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COMPANIES HOUSE

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COMPANIES HOUSE

☒ What this form is for
You may use this form to
accompany your accounts
disclosed under parent law.

☒ What this form is NOT
You cannot use this for
an alteration of name
with accounting require

FRIDAY

WED

Part 1 Corporate company name

Corporate name of overseas company ① ACCORD SOFTWARE AND SYSTEMS LIMITED

UK establishment number B R 0 1 4 9 1 3

→ Filling in this form
Please complete in typescript or in
bold black capitals.

All fields are mandatory unless
specified or indicated by *

① This is the name of the company in
its home state.

**Part 2 Statement of details of parent law and other
information for an overseas company**

A1 Legislation

Please give the legislation under which the accounts have been prepared and,
if applicable, the legislation under which the accounts have been audited.

Legislation ② Indian Companies Act 2014

② This means the relevant rules or
legislation which regulates the
preparation and, if applicable, the
audit of accounts.

A2 Accounting principles

Accounts Have the accounts been prepared in accordance with a set of generally accepted
accounting principles?

Please tick the appropriate box.

☐ No. Go to Section A3.

☒ Yes. Please enter the name of the organisation or other
body which issued those principles below, and then go to Section A3.

Name of organisation or body ③ The Institute of Chartered Accounts India

③ Please insert the name of the
appropriate accounting organisation
or body.

A3 Accounts

Accounts Have the accounts been audited? Please tick the appropriate box.

☐ No. Go to Section A5.

☒ Yes. Go to Section A4.

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A4 Audited accounts		
Audited accounts	Have the accounts been audited in accordance with a set of generally accepted auditing standards? Please tick the appropriate box <input type="checkbox"/> No. Go to Part 3 'Signature' <input checked="" type="checkbox"/> Yes Please enter the name of the organisation or other body which issued those standards below, and then go to Part 3 'Signature'	1 Please insert the name of the appropriate accounting organisation or body
Name of organisation or body 1	THE INSTITUTE OF CHARTERED ACCOUNTANTS IN INDIA	
A5 Unaudited accounts		
Unaudited accounts	Is the company required to have its accounts audited? Please tick the appropriate box <input type="checkbox"/> No <input type="checkbox"/> Yes	
Part 3 Signature		
Signature	I am signing this form on behalf of the overseas company <u>For Accord Software & Systems Pvt. Ltd.</u>	
	Signature X <u>Bojee Srinivas</u> X Bojee Srinivas Chief Financial Officer & Company Secretary This form may be signed by Director, Secretary, Permanent representative	

OS AA01

Statement of details of parent law and other information for an overseas company



Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name

Company name

Kingston Smith LLP

Address

Devonshire House

60 Goswell Road

Post town

London

County/Region

Postcode

E C 1 M 7 A D

Country

United Kingdom

DX

Telephone

020 7566 4000



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and, if appropriate, the registered number, match the information held on the public Register.
- ☐ You have completed all sections of the form, if appropriate.
- ☐ You have signed the form.



Important information

Please note that all this information will appear on the public record.



Where to send

You may return this form to any Companies House address:

England and Wales:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

Scotland:

The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF.
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post).

Northern Ireland:

The Registrar of Companies, Companies House,
Second Floor, The Linenhall, 32-38 Linenhall Street,
Belfast, Northern Ireland, BT2 8BG.
DX 481 N.R. Belfast 1.



Further information

For further information, please see the guidance notes on the website at www.companieshouse.gov.uk or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.companieshouse.gov.uk

Varma & Varma
Chartered Accountants

INDEPENDENT AUDITORS' REPORT

To,
The Members,
Accord Software & Systems Private Limited, Bangalore.

Report on the Financial Statements

We have audited the accompanying financial statements of M/s. Accord Software & Systems Private Limited, ("The Company") which comprise the Balance Sheet as at March 31, 2015, the Profit and Loss Statement and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

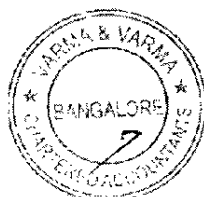
Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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 have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. 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.



Varma & Varma

Chartered Accountants

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 financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, 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 on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, of the state of affairs of the Company as at March 31, 2015 and its profit and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to note 14(1) regarding loan sanctioned to a wholly owned subsidiary, the terms of repayment of which are yet to be finalised by the company. The management of the company is confident of recovering these amounts based on the proposed activities of the company. Our opinion is not qualified in respect of this matter.

Report on Other Legal & Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("The Order") issued by the Central Government of India in terms of subsection (11) of Section 143 of the Act, we give in the Annexure, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

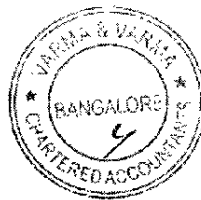


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Chartered Accountants

- c. The Balance Sheet, Profit and Loss Statement and Cash Flow Statement dealt with by this report are in agreement with the books of account;
- d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e. On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164(2) of the Act; and
- f. With respect to the other matters to be included in the Auditor's report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
 - i. The Company has disclosed the impact of pending litigations on its financial positions in its financial statements - refer note 28 to the financial statements, the impact if any on the final settlement of the litigations is not ascertainable at this stage;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts; and
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company.

Place: Bangalore
Date : 12/06/2015



For VARMA & VARMA
Chartered Accountants
FRN 0045325

Cherian K Baby
Partner
M No. 016043

Varma & Varma

Chartered Accountants

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'report on other legal and regulatory requirements' section of our report of even date)

- (i) In respect of its fixed assets:
 - (a) The company is maintaining records showing full particulars, including quantitative details and situation of fixed assets. However, it requires further updation with regard to quantitative details and location thereof.
 - (b) We are informed that the fixed assets of the Company have been physically verified by the management on a rotational basis which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Discrepancies noticed on such physical verification are not material and have been properly dealt with in the books of account.
- (ii) In respect of its inventories:
 - (a) The Management has conducted physical verification of inventory at reasonable intervals. In our opinion, the frequency of verification is reasonable.
 - (b) The procedures of physical verification of inventory followed by the management is reasonable and adequate in relation to the size of the company and the nature of its business;
 - (c) The company is maintaining proper records of inventory and no material discrepancies were noticed on such physical verification;
- (iii) The company has granted loans to one body corporate covered in the register maintained under section 189 of the Companies Act, 2013 "the act".
 - (a) In case of the loans granted to the body corporate listed in the register maintained under section 189 of the Act, the terms of arrangements do not stipulate any repayment schedule and the loan along with interest are repayable on demand. Accordingly, paragraph 3(iii) (a) of the order is not applicable to the company is respect of the principal and interest payment.
 - (b) In respect of such loans, no repayment schedule has been fixed and hence no amount is considered overdue in respect of principal and interest. Accordingly, paragraph 3(iii) (b) of the order is not applicable to the company is respect of the principal and interest repayment.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods/services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across, nor have been informed of, any continuing failure to correct major weaknesses in the aforesaid internal control system, subject to Auditor's Responsibility paragraph mentioned in the Independent Auditor's Report above.
- (v) The Company has not accepted any deposits from the public within the meaning of Section 73 to 76 of the Companies Act, 2013 and rules framed there under.



Varma & Varma

Chartered Accountants

- (vi) According to the information and explanations given to us the limits prescribed by the Central Government for the maintenance of cost records under section 148(1) of the Act in respect of certain products notified for this purpose have not been crossed. Accordingly this clause is not applicable.
- (vii) According to the information and explanations provided to us in respect of statutory dues:
- (a) The company has been generally regular in depositing undisputed statutory dues including provident fund, employee's State Insurance, income-tax, sales-tax, wealth tax, service tax, duty of custom, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities during the year to the extent applicable. There are no arrears of undisputed statutory dues of a material nature outstanding for a period of more than six months from the date on which they became payable.
 - (b) We are informed that there are no dues which have not been deposited on account of any dispute as at 31st March, 2015, subject to Note 28(a) (iv) to the financial statements.
 - (c) We are informed that there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company in accordance with the provisions of Companies Act, 1956 and the rules made there under.
- (viii) The Company has no accumulated losses at the end of the financial year and has not incurred cash losses during this financial year or immediately preceding financial year.
- (ix) According to the information and explanations given to us and as per our verification of the records of the company, the company has not defaulted in repayment of dues to the financial institutions and banks.
- (x) According to the information and explanations given to us company has given guarantee of US\$ 415,000 for a loan taken by a step down subsidiary from a bank. The terms and conditions of guarantees given by the Company for the loan taken by the step down subsidiary from the bank are not prima facie prejudicial to the interests of the Company.
- (xi) The Company has not raised any term loans. Accordingly, paragraph 3(xi) of the Order is not applicable to the Company.
- (xii) According to the information and explanations given to us and as per our verification of the records of the company, no fraud either on or by the company has been noticed or reported during the year.

For VARMA & VARMA
Chartered Accountants
FRN 004532S



Place: Bangalore
Date : 12/06/2015

Cherian K Baby
Partner
M No.016043

Accord Software & Systems Private Limited
Balance Sheet as at 31st March:

	Note No	2015 (₹)	2014 (₹)
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	90,750,000	90,750,000
Reserves and Surplus	3	462,085,603	340,221,847
Non-Current Liabilities			
Long term borrowings	4	5,121,045	14,062,210
Deferred tax liabilities (Net)	5	-	6,873,411
Long term provisions	6	8,161,164	4,787,622
Current Liabilities			
Short term borrowings	7	92,316,137	75,925,664
Trade payables	8	38,990,392	50,712,457
Other current liabilities	9	86,177,311	119,014,576
Short term provisions	10	38,215,299	26,036,201
		821,816,950	728,383,987
ASSETS			
Non-current assets			
Fixed assets	11		
- Tangible assets		56,115,610	60,373,310
- Intangible assets		7,759,516	19,599,504
- Capital Work-In-Progress		5,382,935	1,829,489
- Intangible assets under development		4,688,275	1,452,125
Non current investments	12	136,681,044	4,384
Deferred tax Asset (Net)	13	3,683,148	-
Long term loans and advances	14	41,732,022	144,793,189
Current assets			
Current Investments	15	65,060,256	-
Inventories	16	47,275,476	79,476,313
Trade receivables	17	226,885,917	194,034,934
Cash and Cash equivalents	18	182,042,750	190,323,727
Short term loans and advances	19	43,584,823	34,780,734
Other current assets	20	925,178	1,716,278
		821,816,950	728,383,987

Significant accounting policies 1

The accompanying notes form an integral part of the Financial Statements

As per our separate report of even date attached

J.M. Sundaresan

J M Sundaresan
Managing Director

Raghavendra Shenoy M

Raghavendra Shenoy M
CEO & Director

For VARMA & VARMA
Chartered Accountants
FRN 0045325

Bobjee Srinivas

Bobjee Srinivas
CFO & Company Secretary

Place : Bangalore
Date : 12.06.2015



Cherian K Baby

Cherian K Baby
Partner
M. No. 016043

Place : Bangalore
Date : 12.06.2015

Accord Software & Systems Private Limited
Profit and Loss Statement for the year ended 31st March:

	Note No	2015 (₹)	2014 (₹)
Revenue from Operations	21	966,691,390	867,500,700
Less: Excise duty		6,378,390	1,045,847
		960,313,000	866,454,853
Other Income	22	71,439,315	38,266,813
		1,031,752,315	904,721,665
Expenditure			
Cost of materials consumed	23	115,527,426	126,100,755
Changes in inventories of work-in-progress and finished goods	24	34,965,403	(20,739,107)
Employee benefit expense	25	457,243,669	398,066,845
Finance costs	26	7,060,537	15,102,274
Depreciation and amortization expense	11	37,218,639	54,280,470
Other expenses	27	201,716,800	166,071,235
		853,732,474	738,882,472
Profit before tax		178,019,841	165,839,193
Less: Tax expense			
Current tax		42,403,000	44,584,260
Less: MAT Credit Entitlement		-	(34,864,073)
Earlier years tax write-off/(write-back)		2,530,717	(1,006,284)
Earlier years - Fringe Benefit tax write-off		-	56,750
Deferred tax (gain)/charge [refer note 5 & 13]		(10,556,565)	(3,603,938)
Profit/(Loss) for the year after tax,		143,642,689	160,672,479
Earnings per equity share:			
Weighted Average number of equity shares of ₹.10 each		9,075,000	9,075,000
- Basic & Diluted earnings per share		15.83	17.70

Significant accounting policies

1

The accompanying notes form an integral part of the Financial Statements

As per our separate report of even date attached

J.M. Sundaresan

J M Sundaresan
Managing Director

Raghavendra Shenoy M

Raghavendra Shenoy M
CEO & Director

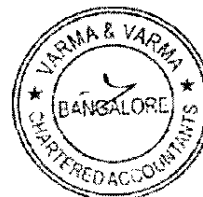
For VARMA & VARMA
Chartered Accountants

FRN 0045325

Bobjee Srinivas

Bobjee Srinivas
CFO & Company Secretary

Place : Bangalore
Date : 12.06.2015



Cherian K Baby

Cherian K Baby
Partner
M No. 016043

Place : Bangalore
Date : 12.06.2015

Accord Software & Systems Private Limited

Cash Flow Statement for the year ended 31st March:

	2015 (₹)	2014 (₹)
(A) CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation, exceptional and non recurring items	178,019,841	165,839,193
<i>Adjustments for:</i>		
Depreciation and amortization expenses	37,218,639	54,280,470
Finance Cost	5,877,806	6,114,754
Profit on Disposal/Sale of fixed assets (Net)	(470,113)	8,686,785
Reversal of Provision for Diminution in investment	(326,034)	-
Interest received	(13,757,440)	(7,152,659)
Profit on Sale of Shares of Subsidiary	(38,586,466)	-
Foreign Exchange Gain (net)	399,882	(18,109,949)
Operating Profit before the changes in working capital	168,376,116	209,658,594
<i>Adjustments for:</i>		
(Increase)/ Decrease in Inventories	32,200,836	(37,465,618)
(Increase)/ Decrease in Trade Receivables	(32,850,983)	(2,769,794)
(Increase)/ Decrease in Loans and Advances	(8,278,948)	(43,452,704)
(Increase)/ Decrease in Other Current Assets	-	614,000
Increase/ (Decrease) in Trade Payables	(11,722,065)	31,375,383
Increase/ (Decrease) in Other Current Liabilities	(32,837,265)	22,334,477
Increase/ (Decrease) in Provisions	4,798,971	2,604,205
Cash generated from operations	119,686,661	182,898,538
Income Tax paid including for prior year (Net)	(28,762,814)	(42,384,552)
Net cash generated from operating activities	90,923,847	140,513,986
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(28,229,716)	(42,624,497)
Incremental Fixed deposit placed with banks having original maturity over three months.	(20,500,000)	(103,496,280)
Investment in Mutual Funds	(65,060,256)	-
Interest received	14,548,539	9,127,584
Proceeds on sale/Disposal of fixed assets	789,282	650,000
Proceeds from Sale of Investment in Shares of Subsidiary	38,912,500	-
Investment in shares of subsidiaries	(136,676,660)	-
Net cash used in investing activities	(196,216,311)	(136,343,193)



Accord Software & Systems Private Limited
Cash Flow Statement for the year ended 31st March:

	2015 (₹)	2014 (₹)
(C) CASH FLOWS FROM FINANCING ACTIVITIES		
(Repayment)/ Proceeds from long term borrowings	(8,941,165)	19,817,760
(Repayment)/ Proceeds from short term borrowings	16,390,473	(5,784,251)
Repayment of loan by Accord Software & Systems Inc, USA.	96,434,251	-
(Increase)/Decrease in Fixed deposits with banks earmarked for issue of guarantee and held as margin money.	(812,274)	(458)
Dividend (Including Dividend distribution tax)	(21,094,383)	(10,547,192)
Interest Paid	(5,877,807)	(5,337,029)
Foreign Exchange Gain (net)	(399,882)	18,109,948
Net cash used in financing activities	75,699,212	16,258,779
(D) NET CASH FLOWS DURING THE YEAR		
	(29,593,251)	20,429,572
Cash and cash equivalents at beginning of year	38,028,563	17,598,991
Cash and cash equivalents at end of year	8,435,312	38,028,563

Significant accounting policies

1

The accompanying notes form an integral part of the Financial Statements

As per our separate report of even date attached

J.M. Sundaresan
J M Sundaresan
Managing Director

Raghavendra Shenoy M
Raghavendra Shenoy M
CEO & Director

For VARMA & VARMA
Chartered Accountants
FRN 0045325

Bobjee Srinivas
Bobjee Srinivas
CFO & Company Secretary

Place : Bangalore
Date : 12.06.2015



Cherian K Baby
Cherian K Baby
Partner
M No. 016043

Place : Bangalore
Date : 12.06.2015

Accord Software & Systems Private Limited

Notes forming integral part of Financial statements for the year ended 31st March, 2015

CORPORATE INFORMATION:

Accord Software & Systems Private Limited was incorporated on the 17th December, 1991 with its Registered Office and main development centre located at Bangalore, India. Company has focused its business in the areas of Global Positioning System, Airborne Software and Hardware, Digital Signal Processing, Real-time embedded systems and Fabless Semiconductor operations. The company's products and services are aimed at serving various markets like Aviation, Defence, Space and Consumer electronics. The company has its operations in three European Countries and also has two wholly owned subsidiaries in Singapore. The Company has decided to restructure its group holding, accordingly a new entity M/s Accord Global Pte Ltd was incorporated in Singapore on 18-Feb-2015 and by virtue of sale of shares to Accord Global Pte Ltd, Singapore, from Accord Software & Systems Pvt Ltd, the Subsidiary Accord Software & Systems Inc., USA has now become the Subsidiary of Accord Global Pte Ltd, Singapore.

1. SIGNIFICANT ACCOUNTING POLICIES

a. Basis of preparation of Financial Statements:

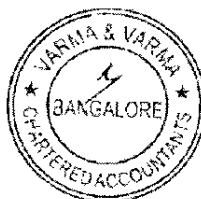
The financial statements are prepared in accordance with Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 the provisions of the Act (to the extent notified). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

b. Use of Estimates:

The preparation of the financial statements in conformity with Indian GAAP requires that the management makes estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of financial statements and the reported amounts of revenue and expenses during the reported period. Although such estimates were on a reasonable and prudent basis taking into account all available information, actual results could differ from these estimates and such differences are recognized in the period in which the results are ascertained.

c. Revenue Recognition:

- (i) Revenue from sale of systems is recognised on delivery as per the terms of the contract. Sales are recorded net of value added tax.
- (ii) Revenue from fixed price contracts for development and manufacture of products is recognised under the percentage of completion method wherein revenue is recognised based on services performed to date as a percentage of total services to be performed.
- (iii) Revenue from software development in case of time basis contracts and other revenue are recognised as the services are provided.
- (iv) Revenue in excess of billings on service contracts is recorded as unbilled receivables and is included in trade receivables. Advance payments/ billed in advance of services performed are recorded as current liabilities/ deferred income.
- (v) Interest is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.



Accord Software & Systems Private Limited

Notes forming integral part of Financial statements for the year ended 31st March, 2015

d. Fixed Assets and Depreciation:

(i) Tangible fixed assets are stated at the cost of acquisition, less accumulated depreciation. Direct costs specifically attributable to the acquisition and installation of fixed assets like freight and other costs are capitalised till the assets are ready to be put to use. Intangible assets are recorded at the consideration paid for acquisition of such assets and are carried at cost less accumulated amortisation and impairment. Borrowing costs on specific borrowings made for acquisition of qualifying assets relating to the period until it is ready for use is capitalised to the cost of asset.

(ii) Depreciation on tangible fixed assets such as Building, Office Equipment, Furniture's & Fittings is provided using the Straight-Line Method over the useful life prescribed in Schedule II of the Companies Act, 2013 except for expenditure on lease hold properties where it is amortised over the period of lease or estimated useful life, whichever is lower. For the other assets depreciation is provided on Straight-Line Method over the useful life estimated by the management which are as follows:

Vehicle - 5 Years ^[1]

Plant & Machinery - 5 Years ^[1]

Software - 2 Years ^[1]

Technical Know How - 3 Years ^[1]

Licenses - Over the License period or 3 Years, which ever is earlier ^[1]

Assets costing Rs.5,000/- or less are fully depreciated in the year of acquisition itself.

[1] For these class of assets, based on internal assessment and independent technical evaluation carried out by external valuers the management believes that the useful lives as given above best represent the period over which management expects to use these assets. Hence the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

Depreciation and amortization methods, useful lives and residual values are reviewed periodically, including at each financial year end.

(iii) Capital work-in-progress

All capital expenditure including advances paid for the construction of fixed assets are shown as capital work-in-progress until completion of the project or until the asset is ready to be put to use. These costs are capitalised to the relevant items of the fixed assets on completion or putting to use.

e. Investments:

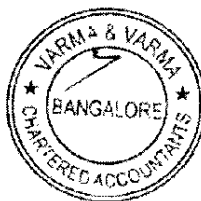
Long term Investments are valued at cost. Provision for diminution is made to recognize a decline, other than temporary, in the value of Investments. Current Investments are stated at lower of cost and fair value.

f. Inventories:

Inventories (representing components) are valued at lower of cost or net realizable value. Cost of inventories includes cost of purchase/ acquisition and all other costs like freight, taxes and duties (not recoverable from the taxing authorities) and other sums incurred to bring the goods to the present location and condition on the date of valuation. Cost has been determined on the FIFO (First-In-First-Out) method.

g. Foreign Currency Transactions:

Transactions in foreign currency have been accounted at the exchange rates, which are prevailing at the time of entering into the transaction. Unsettled transactions remaining at the year-end are translated at the rates prevailing on that date. Gain/ loss arising from variations in foreign currency rates on these transactions are recognised in the Profit and Loss Statement on settlement/translation.



Accord Software & Systems Private Limited

Notes forming integral part of Financial statements for the year ended 31st March, 2015

Premium or discount arising at the inception of forward contract is amortised as expense or income over the life of the contract. Exchange differences on forward contracts and profit or loss arising on cancellation or renewal of forward contracts are recognised in the Profit and Loss Statement in the reporting period in which the exchange rates change.

The transaction relating to foreign branches considered integral to the operations of the company has been translated at prevailing rates of exchange on the day of the transaction. The payables/ receivables at the year-end are translated at the closing rates.

h. Employee Benefits:

(i) Short term employee benefits:

All employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits, which include benefits like salaries, short term compensated absences, performance incentives, etc. and are recognised as expense in the period in which the employee renders the related service.

(ii) Defined-contribution plans:

The Company has defined contribution plans (where Company pays pre-defined amounts and does not have any legal or informal obligation to pay additional sums) for post employment benefits (viz., Provident Fund and Superannuation Fund), and the Company's contributions thereto are charged to Profit and Loss Statement every year. The Company's contributions to State plans (viz., Employees State Insurance and Employee Pension Scheme) are also charged to Profit and Loss Statement as expense during the period in which the employees perform the service.

(iii) Defined-benefit plan:

A) Gratuity:

The company's Gratuity scheme is administered through the Employees' Group Gratuity Trust funded with Life Insurance Corporation of India. The present value of the obligation for gratuity benefits as determined on independent actuarial valuation, conducted annually using the projected unit credit method, as adjusted for unrecognized past services cost if any and as reduced by the fair value of plan assets, is recognized in the accounts. Actuarial gains and losses are recognized in full in the Statement of Profit and Loss for the period in which they occur.

B) Compensated Absences (Leave Encashment):

Compensated absences that are not expected to occur within twelve months after the end of the period in which the employee renders related services are recognised as a liability at the present value of the defined benefit obligation based on actuarial valuation (under projected unit credit method) carried out at the balance sheet date.

(iv) Actuarial gains and losses comprise experience adjustments and the effect of changes in the actuarial assumptions, and are recognised immediately in the Statement of Profit and Loss as income or expense.

i. Research and Development:

Research and Development costs incurred for products are expensed as incurred, except for development costs which relate to the design and testing of new products or processes which are recognized as an intangible asset to the extent that it is expected that such assets will generate future economic benefits. Research and development expenditure of a capital nature is added to fixed assets. Any expenditure carried forward is amortized over the period of expected future sales from the related project.



Accord Software & Systems Private Limited

Notes forming integral part of Financial statements for the year ended 31st March, 2015

j. Leases:

Assets acquired under lease where the Company has substantially all the risks and rewards of ownership are classified as finance lease. Such lease is capitalized at the inception of the lease at lower of the fair value or the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest costs so as to obtain a constant periodic rate of interest on the outstanding liability for each period.

Assets acquired on lease where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating lease. Lease rentals on assets taken on operating lease are recognized as an expense in the Statement of Profit and Loss on a systematic basis over the lease term.

k. Taxes on Income:

Tax expense comprising current tax and deferred tax are recognised in the Profit and Loss Statement for the year. Current tax is the amount of income tax determined to be payable in respect of taxable income as computed under the tax laws after considering allowances and incentives.

Certain items of income and expenditure are not reported in tax returns and financial statements in the same year. The net tax effect calculated at the current enacted tax rates of this timing difference as also that relating to carried forward unabsorbed depreciation and business loss at the end of an accounting year is reported as deferred income tax asset/ liability. The effect of deferred tax asset and liabilities due to change from such assets/ liabilities as at the end of previous accounting year and due to change in tax rates are recognised in the income statement of the year.

Minimum Alternate Tax (MAT) paid in a year is charged to the Statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward.

l. Provisions and Contingencies:

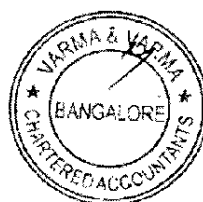
Provisions for the losses and contingencies arising as a result of a past event where the management considers it possible that a liability may be incurred are made on the basis of the best reliable estimates of the expenditure required to settle the present obligation on the balance sheet date and are not discounted to its present value. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Provision for product related warranty cost is based on the claims received upto the year end as well as the management estimates of further liability to be incurred in this regard during the warranty period, computed on the basis of past trend on such claims.

Contingent liabilities to the extent management is aware are disclosed by way of notes to the accounts.

m. Impairment of Assets:

At each Balance Sheet date, the Company assesses whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount. If the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognised in the Profit and Loss Statement to the extent the carrying amount exceeds the recoverable amount.



Accord Software & Systems Private Limited
Notes forming integral part of Financial statements for the year ended 31st March:

	2015 (₹)	2014 (₹)
2 Share Capital:		
Authorised Share Capital		
1,00,00,000 equity shares (2013-14: 1,00,00,000 Shares) of ₹.10 each	100,000,000	100,000,000
Issued, Subscribed and Fully Paid Up:		
90,75,000 equity shares (2013-14: 90,75,000 shares) of ₹.10 each	90,750,000	90,750,000

(a) The reconciliation of number of shares outstanding as at the end of the financial year is set out below:

Particulars	Shares (In No's)	Shares (In ₹.)	Shares (In No's)	Shares (In ₹.)
Shares at the beginning of the period	9,075,000	90,750,000	1,815,000	18,150,000
Shares at the end of the period	9,075,000	90,750,000	9,075,000	90,750,000
Change in shares outstanding due to issue of Bonus shares.	Nil	Nil	7,260,000	72,600,000

(b) The details of shareholders holding more than 5% shares as at the end of the financial year is set out below:**

	%	Number	%	Number
J M Sundaresan	21.29	1,931,900	21.29	1,931,900
S Purushotham	21.29	1,931,900	21.29	1,931,900
V Narayanasamy	21.29	1,931,900	21.29	1,931,900
R Devanathan	20.05	1,819,300	20.05	1,819,300
Raghavendra Shenoy M	16.09	1,460,000	16.09	1,460,000

** As per records of the company, including its register of members.

(c) Rights, preferences and restrictions attached to equity shares:

The Company has only one class of shares referred to as equity shares having a par value of ₹.10 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company after payment of all liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

(d) Details of shares allotted as fully paid up for consideration other than cash during last 5 years:

The Company allotted 7,260,000 equity shares of ₹.10 each as fully paid-up bonus shares at the rate of 4 bonus shares for every equity share held by utilisation of Free Reserves on March 3, 2014 pursuant to shareholders' resolution on March 03, 2014.

(e) Other notes on share capital:

- (i) The Company has not issued any securities convertible into equity/ preference shares.
- (ii) No Shares were bought back during any of the last five years preceding.
- (iii) The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

3 Reserves & Surplus:

(a) General Reserve:

Balance as at the beginning of the year	95,600,512	31,331,521
Add: Transfer from surplus in profit and loss statement	57,457,076	64,268,992
Balance as at the end of the year	153,057,588	95,600,512



Accord Software & Systems Private Limited
Notes forming integral part of Financial statements for the year ended 31st March:

	2015 (₹)	2014 (₹)
(b) Surplus in Profit and Loss Statement:		
Balance as at the beginning of the year	244,621,334	241,912,231
Profit for the year as per profit and loss statement	143,642,689	160,672,479
Less: Appropriations		
- Proposed dividend of ₹. 2/- Per equity share [2013-14: ₹.2/-]	18,150,000	18,150,000
- Tax on proposed dividend on equity shares.	3,628,932	2,944,384
- Utilisation for issue of fully paid bonus shares of ₹.10 each	-	72,600,000
- Transfer to General Reserve	57,457,076	64,268,992
Balance as at the end of the year - Surplus	309,028,015	244,621,334
	<u>462,085,603</u>	<u>340,221,847</u>

4 Long Term Borrowings:

Secured

Term Loans from Banks ^[1]	3,276,887	12,878,256
Vehicle Loans - Banks ^[2] (Pending registration of charges)	1,844,158	1,183,954
	<u>5,121,045</u>	<u>14,062,210</u>

Other Notes to 'Long Term Borrowings':

[1] Term Loan of ₹.272.78 Lakhs from SBI is fully secured by first charge on all of Fixed assets purchased out of the said loan and is repayable in 36 equal instalments of ₹.8 Lakhs with repayment schedule commencing from October,2013.Further this loan carries interest rate of 2.85% plus base rate (at present effective rate of interest rate is between 12.50% to 12.85% per annum).

[2] Vehicles Loans from Banks and Other financial Institutions are fully secured by charge over the vehicles purchased out of this loan and these loans are repayable in monthly instalments over the agreed repayment period. At the year end there are 7 loans outstanding having a repayment period ranging between 36 months to 60 months covering interest rate between 8.75% to 10.91%.

5 Deferred Tax Liabilities (net) :

Assets

timing difference on expenses allowed on payment basis. - (3,359,921)

Liability

timing differences on depreciation. - 10,233,332

- 6,873,411



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Accord Software & Systems Private Limited

Notes forming integral part of Financial statements for the year ended 31st March:

	2015 (₹)	2014 (₹)
6 Long Term Provisions:		
Provision for employee benefits [refer note 30]		
- Gratuity	-	1,565,445
- Leave encashment	5,198,946	2,174,955
Others		
- Provision for warranties	2,962,218	1,047,221
	<u>8,161,164</u>	<u>4,787,622</u>
7 Short Term Borrowings:		
Secured		
Cash Credit/Working capital loan from State Bank of India	92,316,137	75,925,664
	<u>92,316,137</u>	<u>75,925,664</u>

Other notes to 'Short term Borrowings':

Cash credit from Banks represent the working capital funds (including a sub-limit of Rs.8 Crore of Export Packing Credit) which are secured by a primary charge by way of hypothecation of entire stock of raw materials, stock in process, stores, spares, receivables and other current assets and first charge on the unencumbered fixed assets present and future of the company and further by equitable mortgage of Company's freehold Plot at No 110-K1, at KEONICS Electronic city, Bangalore and also of one of the Director's property located at Plot at No.13 & 14 at Nehruji Street, Tamabaram Sanatorium, Chennai. Further to this company has given cash collateral of ₹.181.75 Lakhs. The above secured loans are also personally guaranteed by all the Directors. There has been no continuing default as on Balance Sheet date in repayment of loans and interest.

8 Trade Payables:		
- Due to Micro & Small Enterprises ^[1]	-	-
- Due to others ^[2]	38,990,392	50,712,457
	<u>38,990,392</u>	<u>50,712,457</u>

Other notes on 'Trade Payables'

[1] Based on the information available with the company, no amount is outstanding as at the year end to suppliers/ service providers who are registered as micro, small or medium enterprises, as defined under the Micro, Small and Medium Enterprises Development Act, 2006. This has been relied upon by the auditors.

[2] Includes due to Related Parties :

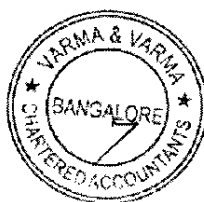
Accord Software & Systems Inc , USA (Step Down Subsidiary)	-	7,694,683
Navika Electronics Pte Ltd , Singapore (Subsidiary)	2,507,005	3,204,370
Accord Technology LLC , USA (Subsidiary of Step-Down Subsidiary)	2,894,951	322,582



Accord Software & Systems Private Limited

Notes forming integral part of Financial statements for the year ended 31st March:

	2015 (₹)	2014 (₹)
9 Other Current Liabilities:		
Current maturities of long term debt:		
- Current maturities of term loans from banks	9,600,000	9,600,000
- Current maturities of vehicle loans from banks	1,440,719	1,716,230
- Current maturities of vehicle loans from other parties	-	86,008
Interest accrued but not due on borrowings	20,412	13,314
Advances from customers and others	568,963	8,628,471
Amount due on capital goods purchased	1,462,611	2,241,064
Employee Dues ^[1]	71,522,863	85,499,118
Statutory Dues	1,561,743	11,230,371
	86,177,311	119,014,576
Other notes to 'Other Current Liabilities'		
[1] Includes due to Key Management personnel (KMP)	28,826,100	27,558,840
10 Short Term Provisions:		
Provision for employee benefits [refer note 30]		
- Gratuity	3,865,197	1,045,365
- Leave encashment	1,228,044	1,544,665
Proposed Dividend	18,150,000	18,150,000
Provision for tax on proposed dividend	3,628,932	2,944,384
Provision for Taxation (Net of Advance tax and tax deducted at source)	10,069,122	-
Provision for Wealth tax	36,259	33,379
Provision for Warranty	1,237,746	2,318,408
	38,215,299	26,036,201



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Accord Software & Systems Private Limited
Notes forming integral part of Financial statements for the year ended 31st March:
11. FIXED ASSETS

(All Amounts in ₹.)

Description	GROSS BLOCK [AT COST]			DEPRECIATION			NET BLOCK	
	As at 01 Apr 2014	Additions / Adjustments	Disposals / Adjustments	As at 31 Mar 2015	As at 01 Apr 2014	For the year	As at 31 Mar 2015	W.D.V As at 31 Mar 2015
Tangible assets :								
Freehold Land	7,850,757 (7,850,757)	-	-	7,850,757 (7,850,757)	-	-	-	7,850,757 (7,850,757)
Buildings	(9,892,897)	-	(9,892,897)	-	(402,205)	(153,907)	(556,112)	-
Leasehold improvements	20,441,430 (20,441,430)	3,611,752	-	24,053,182 (20,441,430)	19,443,078 (19,045,691)	686,984 (397,387)	20,130,062 (19,443,078)	3,923,119 (998,352)
Plant and Equipment	67,671,639 (49,493,362)	2,022,734 (18,986,689)	2,594,894 (808,412)	67,099,479 (67,671,639)	38,716,416 (13,062,527)	7,709,357 (26,462,301)	43,834,086 (38,716,416)	23,265,393 (28,955,223)
Computers and accessories	36,913,395 (27,519,943)	2,824,209 (9,393,451)	9,215,947	30,521,657 (36,513,395)	26,843,458 (22,444,933)	4,809,285 (4,398,525)	23,154,662 (26,843,458)	7,366,995 (10,069,937)
Furniture and Fixtures	10,145,231 (9,467,103)	1,846,040 (678,128)	-	11,991,272 (10,145,231)	8,151,336 (7,886,707)	4,758,787 (264,629)	8,673,795 (8,151,336)	3,317,477 (1,993,895)
Vehicles	13,998,994 (12,980,708)	2,674,899 (1,018,285)	1,156,000	15,517,892 (13,998,994)	7,366,837 (4,902,293)	2,807,430 (2,464,544)	9,279,869 (7,366,837)	6,238,023 (6,632,157)
Office equipment	7,273,764 (5,881,177)	2,509,569 (1,392,587)	-	9,783,333 (7,273,764)	5,096,769 (4,694,124)	846,779 (402,645)	5,943,548 (5,096,769)	3,839,785 (2,176,995)
Tools	4,145,791 (4,084,678)	- (61,113)	-	4,145,791 (4,145,791)	2,449,798 (1,248,096)	1,381,930 (1,201,702)	3,831,728 (2,449,798)	314,063 (1,695,993)
Total Tangible Assets	168,441,002 (147,612,056)	15,489,202 (31,530,255)	12,966,841 (10,701,309)	170,963,363 (168,441,002)	108,067,692 (73,686,576)	18,764,225 (35,745,640)	114,847,751 (108,067,692)	56,115,610 (60,373,310)



Accord Software & Systems Private Limited
Notes forming Integral part of Financial statements for the year ended 31st March:

11. FIXED ASSETS

(All Amounts in ₹)

Description	GROSS BLOCK [AT COST]				DEPRECIATION			NET BLOCK	
	As at 01 Apr 2014	Additions / Adjustments	Disposals / Adjustments	As at 31 Mar 2015	As at 01 Apr 2014	For the year	Disposals / Adjustments	As at 31 Mar 2015	W.D.V As at 31 Mar 2015
Intangible assets :									
License	7,243,517 (7,243,517)	-	-	7,243,517 (7,243,517)	6,359,131 (3,944,867)	768,588 (2,414,264)	-	7,127,719 (6,359,131)	115,798 (884,386)
Technical Know-how	34,418,614 (34,418,614)	-	-	34,418,614 (34,418,614)	23,564,884 (12,093,160)	10,546,465 (11,471,724)	-	34,111,349 (23,564,884)	307,265 (10,853,730)
Computer Software	33,718,170 (25,246,016)	6,614,425 (8,472,154)	-	40,332,595 (33,718,170)	75,856,782 (21,207,939)	7,139,362 (4,648,843)	-	32,996,144 (25,856,782)	7,336,451 (7,861,388)
Total Intangible Assets	75,380,301 (66,908,147)	6,614,425 (8,472,154)	-	81,994,726 (75,380,301)	55,780,797 (37,245,966)	18,454,415 (18,534,831)	-	74,235,212 (55,780,797)	7,759,516 (19,599,504)
Capital Work In Progress:									
Building under construction	1,829,489	3,553,446 (1,829,489)	-	5,382,935 (1,829,489)	-	-	-	-	5,382,935 (1,829,489)
Intangible assets under development:									
Patents	1,452,125 (659,525)	524,415 (792,600)	-	1,976,540 (1,452,125)	-	-	-	-	1,976,540 (1,452,125)
Software	-	2,711,735	-	2,711,735	-	-	-	-	2,711,735
Total Intangible Assets under development	1,452,125 (659,525)	3,236,150 (792,600)	-	4,688,275 (1,452,125)	-	-	-	-	4,688,275 (1,452,125)
Total Fixed Assets	247,102,917 (215,179,728)	28,893,223 (42,624,498)	12,966,841 (10,701,309)	263,029,299 (247,102,917)	163,848,489 (110,932,542)	37,218,639 (54,280,471)	11,984,166 (1,364,524)	189,082,962 (163,848,489)	73,946,337 (83,254,428)

Other Notes to 'Fixed Assets':

- (i) The company has revised the estimated useful life of Plant & Machinery as a result of which depreciation for the year is higher by a sum of Rs. Nil (FY 2013-14 Rs.24,966,753/-), such revision was based on the technical evaluation of the estimated useful life of the assets carried out by the management during the year.
- (ii) Assets originally costing Rs. 1,10,80,984/- with WDV of Rs. 3,169/- which were not physically available has been written off during the year.
- (iii) Figures in the parenthesis represents previous year.



Accord Software & Systems Private Limited
Notes forming integral part of Financial statements for the year ended 31st March:

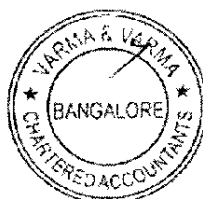
	2015 (₹)	2014 (₹)
12 Non Current Investments [at Cost]:		
Investment in Subsidiary Companies, fully paid-up unless stated otherwise		
(a) Equity Instruments (Unquoted)		
Nil shares (2013-14:1,500 shares) of US\$ 5 each in Accord Software & Systems Inc, USA	-	326,034
100 Shares (2013-14:100 shares) of SGD 5 each in Navika Electronics Pte Ltd -Singapore, 100% Holding	4,384	4,384
20,000 equity shares (2013-14:Nil) of SGD 1 each in Accord Global Pte Ltd-Singapore, 100% Holding	919,415	-
	<u>923,799</u>	<u>330,418</u>
Less:- Provision for Diminution in the value of investments	-	326,034
	<u>923,799</u>	<u>4,384</u>
(b) Preference Shares (Unquoted)		
21,75,000 (2013-14: Nil) 8% Redeemable Preference shares of USD 1 each Fully paid up in Accord Global Pte Ltd, Singapore - 100% Holding	135,757,245	-
	<u>136,681,044</u>	<u>4,384</u>
13 Deferred Tax Asset (Net):		
Assets		
timing difference on expenses allowed on payment basis.	4,928,275	-
Liability		
timing differences on depreciation.	(1,245,127)	-
	<u>3,683,148</u>	<u>-</u>
14 Long Term Loans & Advances:		
Unsecured, considered good		
Security Deposits		
- Rental Deposits	5,298,990	3,597,890
- Electricity Deposit	705,285	705,285
- VAT deposit	348,619	665,903
- Advances to Employee trust	2,000	2,000
Loan to Wholly owned subsidiaries ^[1]	17,669,305	113,090,575
Advance Income Tax and Tax Deducted at Source (Net of Provisions) ^[2]	3,183,621	3,944,412
MAT Credit Entitlement - Long Term	2,104,460	16,445,445
Balances with government and statutory authorities ^[3]	11,723,092	6,248,664
Prepaid Expenses (non-current)	696,651	93,016
	<u>41,732,022</u>	<u>144,793,189</u>

Other notes on 'Long Term Loans & Advances':

[1] Loan to Navika: The company has lent SGD 3,84,533 [2013-14:SG\$ 482,619] to Navika Electronics Pte Ltd, Singapore, (Navika) a wholly owned subsidiary . Navika has been incurring losses in the recent past and the operations are expected to revive in the near future. Although there is likely to be a delay in realization of the loan, the management is confident of ultimate realisation in full.

[2] Includes ₹.6.92 Lakhs paid under protest for the financial years 2006-07 and 2007-08.

[3] Pertains to CENVAT credit of service tax against which refund applications has been filed and the same is pending before adjudicating authority for disposal.



Accord Software & Systems Private Limited
Notes forming integral part of Financial statements for the year ended 31st March:

	2015 (₹)	2014 (₹)
15 Current Investments		
Investments in Mutual Funds (Valued at lower of cost and fair market value)		
Quoted Mutual Funds:		
64,849.496 units (2013-14 Nil) of ₹.1,003.25/- each fully paid up of SBI Premier Liquid Fund - Dividend Reinvestment Plan	65,060,256	-
	<u>65,060,256</u>	<u>-</u>
16 Inventories:		
(at lower of cost or net realisable value)		
Raw Materials	26,986,928	24,791,855
Work in Progress	19,285,899	54,251,302
Goods in Transit	1,002,650	433,156
	<u>47,275,477</u>	<u>79,476,313</u>
Work in Progress		
- GPS	9,594,446	48,525,718
- Others	9,691,453	5,725,584
17 Trade Receivables:		
a Outstanding for a period of more than six months from the date on which they become due for payment.		
Unsecured, considered good	33,556,028	6,298,982
b Other Trade Receivables		
Unsecured, considered good	193,329,889	187,735,952
	<u>226,885,917</u>	<u>194,034,934</u>
Other notes to 'Trade Receivables'		
Includes due from:		
- Accord Software & Systems Inc -Step Down Subsidiary	-	599,084
- Accord Technology LLC- Subsidiary of Step Down Subsidiary	1,984,428	1,042,030
- Navika Electronics Pte Ltd - Wholly Owned Subsidiary	2,452,690	1,518,879
- Accord Global Pte Ltd - Wholly Owned Subsidiary	333,187	-
	<u>4,770,305</u>	<u>3,159,993</u>

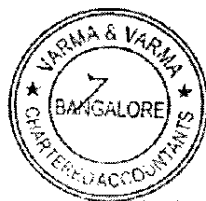


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Accord Software & Systems Private Limited

Notes forming integral part of Financial statements for the year ended 31st March:

	2015 (₹)	2014 (₹)
18 Cash and Cash equivalents:		
(a) Cash and Bank Balances		
Balances with bank in current account	8,399,748	37,964,269
Cash on hand	35,564	64,294
	<u>8,435,312</u>	<u>38,028,563</u>
(b) Other Bank balances:		
(i) Bank Deposits under lien		
- against bank guarantee / letters of credit/funded borrowings.	19,209,103	18,500,000
- towards margins against letter of comfort.	27,343,192	27,245,137
- Others	55,143	50,027
(ii) Other bank deposits		
- With more than 3 months, but less than 12 months maturity.	127,000,000	106,500,000
	<u>173,607,438</u>	<u>152,295,164</u>
	<u><u>182,042,750</u></u>	<u><u>190,323,727</u></u>
19 Short Term Loans and Advances:		
Loans and Advances to others: <i>(Unsecured considered good)</i>		
Security deposit	954,994	306,480
Prepaid Expenses - Current	6,026,720	3,628,025
For supply of goods and rendering of service	5,786,495	1,363,459
Balances with government and statutory authorities	10,169,444	16,870,648
MAT Credit Entitlement	19,000,000	10,000,000
Advances with employees ^[1]	1,411,626	2,137,446
Others ^[2]	235,544	474,677
	<u>43,584,823</u>	<u>34,780,734</u>
Other notes to 'Short Term Loans and Advances'		
Includes due from:		
[1] Key Managerial Personal (KMP), being travel advances	453,762	334,606
[2] Step down subsidiary, expenses incurred on their behalf	-	94,008
20 Other Current Assets:		
Interest accrued but not due on deposits with banks	925,178	1,716,278
	<u>925,178</u>	<u>1,716,278</u>



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Accord Software & Systems Private Limited

Notes forming integral part of Financial statements for the year ended 31st March:

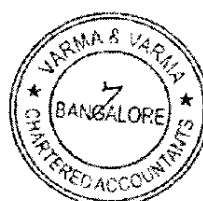
	2015 (₹)	2014 (₹)
21 Revenue from Operations		
Sale of products		
- Global Positioning System (GPS) including Contract Income	203,234,261	132,905,871
- Others	73,636,039	57,093,786
	<u>276,870,300</u>	<u>189,999,658</u>
Software Development Services & Engineering Services	689,814,564	677,281,977
Royalty Income	6,527	219,065
	<u>966,691,390</u>	<u>867,500,700</u>
22 Other Income		
Interest on deposits with bank	13,757,440	7,152,659
Business Support Service	841,260	1,728,000
Interest on loan given to Subsidiaries	8,855,681	8,181,278
Foreign Exchange Gain (<i>net</i>)	-	18,109,949
Gain on forward Contract	-	266,857
Gain on sale of shares held in subsidiary	38,586,466	-
Dividend income (<i>Mutual Funds</i>)	60,256	-
Profit on sale / discarding of fixed assets (<i>net</i>)	470,113	-
Prior period income	5,442,310	-
Creditors & Other liabilities no longer required written back	102,504	1,046,243
Other non-operating income (<i>net</i>)	3,323,285	1,781,826
	<u>71,439,315</u>	<u>38,266,813</u>
23 Cost of materials consumed		
Opening Stock of Raw material	24,791,855	8,112,160
Add: Purchases of Raw Material	110,640,102	128,311,660
Freight, Customs and Clearing Charges	7,082,397	14,468,790
Less : Closing Stock of Raw Material	26,986,928	24,791,855
	<u>115,527,426</u>	<u>126,100,755</u>
24 Changes in inventories of work-in-progress and finished goods		
Opening Stock of Work in progress	54,251,302	28,682,499
Opening Stock of Finished Goods	-	4,829,696
Closing Stock of Work in progress	19,285,899	54,251,302
Closing Stock of Finished Goods	-	-
	<u>34,965,403</u>	<u>(20,739,107)</u>



Accord Software & Systems Private Limited

Notes forming integral part of Financial statements for the year ended 31st March:

	2015 (₹)	2014 (₹)
25 Employee Benefits Expenses		
Salaries, Wages and Bonus	419,124,930	363,870,549
Contribution to Provident and other funds	23,107,642	19,362,086
Staff welfare expenses	14,556,276	14,614,503
Recruitment & Training expenses	454,820	219,708
	457,243,669	398,066,845
26 Finance Costs		
Interest expense on:		
- Working capital	2,679,379	2,510,227
- Term loans and others	2,691,371	2,829,435
Interest expense on delayed payment of taxes	507,056	775,092
Loan processing/facilitation fees	782,849	1,188,489
Exchange loss to the extent considered as finance cost.	399,882	7,799,031
	7,060,537	15,102,274
27 Other Expenses		
Job work and Testing charges	18,511,539	12,338,780
Power and fuel	4,554,109	4,086,652
Rent	18,450,937	18,079,037
Repairs & Maintenance:	-	-
- Buildings	2,719,655	3,600,428
- Machinery	1,808,262	2,227,083
- Others	2,927,472	2,725,315
Bank charges	2,736,179	3,408,134
Insurance	1,909,090	1,751,712
Rates And Taxes	1,424,564	1,549,553
Travelling And Conveyance	37,350,977	26,717,857
Professional Charges [refer note below]	74,029,937	41,640,254
Communication Expenses	2,782,819	2,895,878
Advertisement and Sales Promotion	6,061,558	3,428,634
Sales Commission	8,573,107	19,247,564
Liquidated Damages	154,194	1,695,843
Security Service Charges	1,541,736	1,525,504
Foreign Exchange Loss (net)	1,547,034	-
Loss on sale / discarding of fixed assets (net)	-	8,686,785
Donation	25,000	608,060
Miscellaneous Expenses	1,593,360	896,350
Printing & Stationery	1,455,897	1,154,859
Provision for warranty claim	1,376,232	2,939,332



Accord Software & Systems Private Limited

Notes forming integral part of Financial statements for the year ended 31st March:

	2015 (₹)	2014 (₹)
Office Expenses	2,814,434	2,125,660
Bad Debts Written Off	822,598	-
Contribution towards CSR [refer note 29]	2,532,040	-
Machinery Hiring Charges	4,014,069	2,741,961
	201,716,800	166,071,235
Includes payment to auditors:		
for audit	650,000	575,000
for taxation matters	205,000	174,500
for other services	45,000	83,500
out of pocket expenses	3,673	-
	903,673	833,000

* Above amounts are exclusive of service tax



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Accord Software & Systems Private Limited

Notes forming integral part of Financial statements for the year ended 31st March, 2015

	2015 (₹)	2014 (₹)
28 Contingent Liabilities and Commitments :		
(a) Contingent Liabilities		
(i) Bond executed in favour of the Customs Authorities which is covered by bank guarantee to the extent of ₹ 3.61,250	7,225,000	7,225,000
(ii) Guarantee issued to bankers for providing letter of comfort to foreign step down subsidiary for obtaining working capital facility. (US\$ 415,000)	25,099,200	25,099,200
(iii) Contingent liabilities against performance guarantees issued by the bank which is covered by deposits to the extent of ₹ 18,500,000	61,411,731	26,501,107
(iv) Claims against the Company not acknowledged as debts		
- Disputed tax liabilities under appeal ^[1a]	33,080,923	-
- Others	176,550	1,549,307
	126,993,404	60,374,614

[1a] The Assessing Officer has made an incremental adjustment of Rs. 1,089 Lakhs to the Profits of the Company for the Assessment Year 2012-2013, by disallowing certain weighted deductions of Research & Development expenses. There is no material consequential tax demand on the company as it had paid tax under MAT for that year which has now been fully appropriated against this year. The MAT credit claimed by the Company in the subsequent years aggregating to Rs.326.67 lakhs stands reduced. Based on the decisions of the Appellate authorities and the interpretations of other relevant provisions, the Company has been legally advised that these adjustments are likely to be either deleted or substantially reduced and accordingly no provision is considered necessary.

[1b] The entire demand Rs.4.13 Lakhs has been paid under protest for Assessment Year 2008-09 with respect to disallowance of certain capital expenditure and is pending on appeal. Company expects that these adjustments are likely to be either deleted or substantially reduced and accordingly no provision is considered necessary.

(b) Commitments

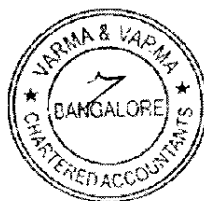
(i) Estimated amount of contracts remaining to be executed on capital account and not provided for	27,000	195,693
(ii) Lease Commitments		
Company has entered in to operating leases in respect of office buildings some of which are effectively non cancellable. The present value of future lease payments under these leases, is as under :		
- Not later than a year	2,058,375	-
- One to five years	610,706	-
	2,669,081	195,693
Total Contingent Liabilities and Commitments	129,662,486	60,570,307

29 Corporate Social Responsibility (CSR)

Pursuant to section 135 of the Companies Act, 2013, a CSR committee has been formed by the company. The areas for CSR activities are promoting education, rendering help at the time of natural calamities, contribution to technology incubators approved by Central Government, etc which are in pursuant to Schedule VII of Companies Act, 2013.

Expenditure related to Corporate Social Responsibility as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof aggregated to Rs.25.32 lakhs which comprises of following:

- Contribution towards Prime Ministers' National relief fund	1,695,000	-
- Contribution towards Support of Education in Science.	200,000	-
- Contribution towards welfare trust providing eligible activities	637,040	-
	2,532,040	



Accord Software & Systems Private Limited

Notes forming integral part of Financial statements for the year ended 31st March, 2015

30 Employee Benefits:

(i) Defined Contribution Plan:

During the year the following amounts have been recognised in the Profit and Loss statement on account of defined contribution plans.

Particulars	2015	2014
Contribution to Superannuation	2,682,840	2,388,312
Employer's contribution to Employees State Insurance (India)	52,821	37,720
Employer's contribution to Provident Fund (India)	9,269,683	8,251,066
Employer's contribution to social security (UK)	4,790,250	3,135,918
Employer's contribution to social security (Germany)	2,075,109	3,462,776
Total	18,870,703	17,278,792

(ii) Defined Benefit Plans

The Company provides for gratuity, (funded with LIC of India) under a defined benefit plan (the gratuity plan) to its employees. The gratuity plan provides a lump sum payment to vested employees at retirement or termination of employment based on the respective employee's last drawn salary and years of employment with the Company.

The Company has a leave accumulation policy which can be availed/ encashed, in the future.

(a) The principal actuarial assumptions used in the valuation of the above liabilities are as follows:

Actuarial Assumptions	2015	2014	2015	2014
	Gratuity	Gratuity	Leave	Leave
Discount factor	7.74%	9.12%	7.74%	9.12%
Salary Escalation	4.00%	4.50%	4.00%	4.50%
Estimated rate of return on	8%	9.12%	-	-
Retirement Age	60 Years	60 Years	60 Years	60 Years
Mortality Rate	Indian Assured Lives (2006-08) Ultimate mortality table	Indian Assured Lives (2006-08) Ultimate mortality table	Indian Assured Lives (2006-08) Ultimate mortality table	Indian Assured Lives (2006-08) Ultimate mortality table

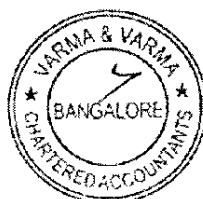
**The estimates of future increase in compensation levels, which is with reference to basic and dearness allowance considered in the actuarial valuation, have taken into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

(b) Reconciliation of present value of obligation

	Gratuity		Leave	
	Funded Obligation	Unfunded Obligation	Funded Obligation	Unfunded Obligation
	2015	2014	2015	2014
Present value of obligation at beginning of the year	13,048,369	10,905,071	3,719,620	1,868,736
Current Service Cost	2,435,847	2,345,607	3,682,839	2,013,467
Interest Cost	1,102,949	978,129	287,899	159,463
Actuarial (gain)/loss	426,145	(820,496)	(1,263,367)	(81,579)
Benefits Settled	(1,909,269)	(359,942)	-	(240,467)
Present value of obligation at end of the year	15,104,041	13,048,369	6,426,991	3,719,620

(c) Reconciliation of fair value of plan assets (Gratuity - funded obligation)

	2015	2014
Fair value of plan assets at beginning of the year	10,437,559	8,134,493
Difference in opening balance, considered in the that year	-	50
Expected return on plan assets	809,961	708,762
Actuarial gain/(loss)	200,593	144,295
Contributions made	1,700,000	1,809,901
Benefits settled	(1,909,269)	(359,942)
Fair value of plan assets at end of the year	11,238,844	10,437,559



Accord Software & Systems Private Limited

Notes forming integral part of Financial statements for the year ended 31st March, 2015

Note 30 Contd...

(d) Net (Asset)/Liability recognised in the Balance Sheet as at the year ended 31st March,

	Gratuity (funded)		Leave Salary (Unfunded)	
	2015	2014	2015	2014
year	15,104,041	13,048,369	6,426,991	3,719,620
year	11,238,844	10,437,559	-	-
iii) Net present value of funded obligation recognised as (asset)/liability in the Balance Sheet.	3,865,197	2,610,810	6,426,991	3,719,620

(e) (Income)/ Expense recognised in the Profit and Loss Statement

	Funded Obligation		Unfunded Obligation	
	2015	2014	2015	2014
Current Service Cost	2,435,847	2,345,607	3,682,839	2,013,467
Interest Cost	1,102,949	978,129	287,599	159,463
Expected return on plan	(809,961)	(708,762)	-	-
Actuarial (gain) /loss	(200,593)	(964,791)	-	(81,579)
Total (income)/ expense recognised in the Profit and Loss statement for the year.	2,528,242	1,650,183	3,970,738	2,091,351

(f) Experience adjustment for funded schemes

	2015	2014	2013	2012
Fair value of the obligation at the end of the period	15,104,041	13,048,369	10,905,071	9,254,914
Fair value of the planned assets at the end of the period	11,238,844	10,437,559	8,134,493	5,937,956
Excess of Obligation over Plan Assets - Surplus / (Deficit)	(3,865,197)	(2,610,810)	(2,770,578)	(3,316,978)
Experience Adjustments (Loss)/gain:				
Experience Adjustments on plan liabilities	426,145	820,496	(385,036)	(1,910,296)
Experience Adjustments on plan assets	200,593	144,295	153,596	(888,185)

** The above disclosures are based on information certified by the independent actuary to the extent available and also LIC of India in the case of funded obligation and relied upon by the auditors.

31 Derivative Instruments:

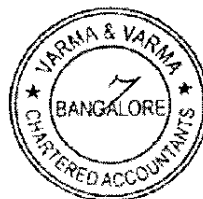
Foreign Exchange exposure not hedged by derivative instruments or otherwise.

Currency	2015		2014	
	Amount (in ₹)	Amount (in ₹)	Amount (in ₹)	Amount (in ₹)
Receivables:				
US\$	814,300.60	50,665,783	2,884,245.02	172,016,373
EUR	130,541.07	8,731,892	353,225.36	28,862,044
GBP	170,718.44	15,641,223	436,369.58	43,135,133
SG\$	391,867.48	17,669,305	511,265.35	24,106,161
Payables:				
US\$	1,457,179.37	91,889,731	1,358,078.03	82,136,559
EUR	15,552.46	1,064,099	14,639.17	1,221,785
GBP	33,617.89	3,142,937	25,178.32	2,539,234
EEFC account balance:				
US\$	34,268.00	2,132,155	15,572.61	928,750
EUR	54,670.93	3,656,939	113.45	9,270
GBP	775.59	71,060	20.05	1,962

32 Segment Reporting:

(a) Primary- Business Segment:

The primary reporting of the Company has been performed on the basis of business segment. The operations of the company is organised into two business segments: Software & Engineering Services and Global Navigation Satellite Systems (GNSS).



Accord Software & Systems Private Limited

Notes forming integral part of Financial statements for the year ended 31st March, 2015

Note 32 Contd...

	Software & Engineering Services	GNSS	Total
Revenue	534,723,456	425,589,544	960,313,000
	(552,226,901)	(314,008,887)	(866,235,788)
Other Income	-	8,855,681	8,855,681
	(4,561,851)	(21,729,376)	(26,291,227)
Total Allocated Segment Revenue	534,723,456	434,445,225	969,168,681
	(556,788,752)	(335,738,263)	(892,527,015)
Employee benefit expense	265,479,526	191,764,142	457,243,669
	(238,067,258)	(160,035,177)	(398,102,435)
Changes in inventories	302,933	150,189,896	150,492,829
	(3,319,798)	(102,041,850)	(105,361,648)
Other Expenses	63,279,757	63,135,103	126,414,860
	(51,363,896)	(37,434,396)	(88,798,292)
Total Allocated Segment Expenses	329,062,217	405,089,141	734,151,358
	(302,750,952)	(299,511,423)	(602,262,375)
Segment result	205,661,239	29,356,084	235,017,323
	(254,037,800)	(36,226,840)	(290,264,640)
Unallocated corporate expenses			75,295,412
			(67,222,294)
Operating profit			159,721,912
			(223,042,346)
Finance Costs			7,060,537
			(15,102,274)
Other Income			62,577,106
			(12,179,591)
Depreciation			37,218,639
			(54,280,470)
Profit before Tax			178,019,841
			(165,839,193)
Tax Expense			34,377,153
			(5,166,714)
Profit for the Period after tax expenses			143,642,689
			(160,672,479)
Other Information	Software & Engineering Services	GNSS	Total
Segment assets	86,345,949	216,193,698	302,539,647
	(157,505,732)	(86,779,922)	(244,285,654)
Unallocated corporate assets			519,277,303
			(484,098,333)
Total assets			821,816,950
			(728,383,987)
Segment liabilities	13,988,096	36,168,283	50,156,379
	(5,753,856)	(12,412,434)	(18,166,290)
Unallocated corporate liabilities			771,660,571
			(710,217,697)
Total liabilities			821,816,950
			(728,383,987)
Capital expenditure	817,000	3,034,169	3,851,169
	(7,917,255)	(22,815,757)	(30,733,012)

(b) Secondary - Geographical Segments

Secondary segment disclosures are based on location of customers in respect of revenue, as all the segment assets are located in India, further disclosure of segment assets on geographical basis is not given.

Revenue by Geographical Area:

	2015	2014
India	260,869,297	182,409,002
European Union	567,369,081	541,535,496
North America	131,981,572	142,119,305
Asia Pacific	93,050	172,045
	960,313,000	866,235,848

* Figures in the parenthesis represent previous year



Accord Software & Systems Private Limited

Notes forming integral part of Financial statements for the year ended 31st March, 2015

33 Expenditure on Research & Development :	2015	2014
Acquisition of capital goods	313,922	20,743,567
Material consumed (including consumption of stores)	14,989,762	3,588,287
Personnel Costs	49,734,982	38,021,416
Operating and other expenses	1,755,795	2,610,943
Total (A)	66,794,461	64,964,213
Transferred to Fixed Assets:		
Plant & Machinery (including Testing Equipment's)	26,540	16,921,657
Computers and Softwares	287,382	3,821,910
Total (B)	313,922	20,743,567
Debited to Profit & Loss Statement (A - B)	66,480,539	44,220,646

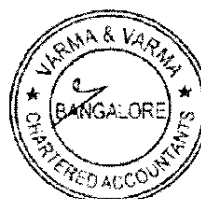
34 Related Party Disclosures

a) Related Parties:

#	Related Party	Relationship
1	Accord Software & Systems Inc., USA	Step down Subsidiary Company, w.e.f 19.03.2015
2	Accord Technology LLC, USA	Step Down Subsidiary Company
3	Navika Electronics Pte Ltd, Singapore	Wholly Owned Subsidiary Company
4	J M Sundaresan	Key Management Personnel
5	S Purushotham	Key Management Personnel
6	V Narayanasamy	Key Management Personnel
7	R Devanathan	Key Management Personnel
8	Raghavendra Shenoy M	Key Management Personnel
9	Accord Software & Systems Employees Superannuation Fund.	Entities where KMP have significant influence
10	Accord Software & Systems Employees Gratuity Fund.	Entities where KMP have significant influence
11	Infoscript Services (P) Ltd	Entities where KMPs have significant influence
12	Accord Global Pte Ltd	Wholly Owned Subsidiary Company w.e.f 18.02.2015

b) Transactions with related parties

Particulars	Key Management Personnel	Subsidiary Companies	Step Down Subsidiary Company	Parties where KMP has significant influence
Salary, bonus & allowances *				
i) J M Sundaresan	10,037,670 (9,023,800)	-	-	-
ii) S Purushotham	10,037,670 (9,023,800)	-	-	-
iii) V Narayanasamy	9,873,487 (8,886,160)	-	-	-
iv) R Devanathan	9,898,350 (8,886,160)	-	-	-
v) Raghavendra Shenoy M	9,898,350 (8,886,160)	-	-	-
Investment made during the year in Accord Global Pte Ltd, Singapore		136,676,660	-	-
Sale of Investments to Accord Global Pte Ltd, Singapore		38,912,500	-	-
Sales	-	86,522 (172,045)	1,384,086 (366,720)	-
Business Support Services - Income	-	841,260 (1,728,000)	-	-
Royalty Income	-	6,527 (219,065)	-	-
Purchases	-	5,294,832 (25,574,959)	3,275,211 (72,717)	-



Accord Software & Systems Private Limited

Notes forming integral part of Financial statements for the year ended 31st March, 2015

Note 34 Contd...

(All amounts ₹.)

Particulars	Key Management Personnel	Subsidiary Companies	Step Down Subsidiary Company	Parties where KMP has significant influence
Expenses incurred on party's behalf	-	410,940	282,304	-
	-	(5,277)	-	-
Expenses incurred by party on behalf of Accord Software & Systems Pvt Ltd.	-	-	66,828	-
	-	-	(587,762)	-
Loans/ Advances given:				
- Accord Software & Systems Inc., USA	-	-	623,500	-
	-	-	(18,772,217)	-
- Navika Electronics Pte Ltd., SGP	-	-	-	-
	-	(21,233,086)	-	-
Loans/ Advances repayment received.	-	5,987,604	102,577,251	-
	-	-	(3,397,197)	-
Interest on the Loans/Advances given:				
- Accord Software & Systems Inc. USA	-	-	7,546,844	-
	-	-	(6,874,371)	-
- Navika Electronics Pte Ltd., SGP	-	1,308,837	-	-
	-	(1,306,907)	-	-
Sales Commission Paid	28,826,100	7,204,366	-	-
	-	(17,571,727)	-	-
Purchase of Fixed Assest	-	-	-	1,980,000
	-	-	-	-
Guarantee furnished to the bank for the working capital finance	-	-	25,099,200	-
	-	-	(25,099,200)	-
Closing Balance (Net)				
- Accord Software Inc. USA	-	-	-	-
	-	-	(Dr) (83,239,474)	-
- Navika Electronics Pte Ltd., SGP	-	(Dr) 17,614,991	-	-
	-	(Dr) (21,070,011)	-	-
- Accord Technology LLC, USA	-	-	(Cr) 910,523	-
	-	-	(Dr) (813,456)	-
- Accord Global Pte. Ltd.SGP	-	(Dr) 333,187	-	-
	-	-	-	-
(i) J M Sundaresan	(Cr) 5,765,220	-	-	-
	(Cr) (5,518,650)	-	-	-
(ii) S Purushotham	(Cr) 5,765,220	-	-	-
	(Cr) (5,518,650)	-	-	-
(iii) V Narayanasamy	(Cr) 5,765,220	-	-	-
	(Cr) (5,507,180)	-	-	-
(iv) R Devanathan	(Cr) 5,765,220	-	-	-
	(Cr) (5,507,180)	-	-	-
(v) Raghavendra Shenoy M	(Cr) 5,765,220	-	-	-
	(Cr) (5,507,180)	-	-	-

Note:

[1] Does not Include provision for employee benefits carried out on an overall company specific actuarial valuation.

[2] Figures in the parenthesis represent previous year.



Accord Software & Systems Private Limited

Notes forming integral part of Financial statements for the year ended 31st March, 2015

Particulars	2015 (₹)	2014 (₹)
35 Set out below is the movement in balances of Provisions made in pursuant to paragraph 66 and 67 of AS 29 Provisions, Contingent Liabilities and Contingent Assets as notified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.		
Provision for Warranty:		
The liability for warranty claims is accounted on an estimated basis, as a percentage of sales determined by the management based on historical data and future estimated costs. The Company however cannot estimate with reasonable certainty the period of utilization of the above mentioned warranty provision.		
Opening Balance	3,365,628	2,458,636
Add: Charge for the year	1,376,232	2,939,332
Less: Utilizations	541,897	2,032,339
Less: Reversals	-	-
Closing Balance	4,199,963	3,365,628
36 CIF value of imports		
I. Components and spare parts;	48,401,036	86,243,252
II. Capital goods;	1,181,435	1,574,087
37 Expenditure in foreign currency		
Travelling And Conveyance	1,478,498	1,005,865
Advertisement and Sales Promotion	1,174,415	486,524
Bank charges	185,065	154,877
Sales Commission	6,573,107	17,796,044
Machinery Hiring Charges	2,707,608	1,837,690
Professional & Consultancy Charges	30,193,967	3,157,434
Rates and Taxes	35,349	548,269
Rent	992,093	1,076,179
Employee benefits expenses	99,123,605	83,238,186
Others	2,851,961	15,150
	147,315,669	109,316,218
38 Particulars of Production/ Sales:		
Global Positioning System		
Quantity produced and sold	4,522	3,885
Sales Value	110,544,769	86,033,173
Sales as per Contracted Milestone	-	36,120,000
GPS Accessories		
Quantity produced and sold	8,132	16,253
Sales Value	12,363,506	3,577,022
Others		
Quantity produced and sold	5,121	3,884
Sales Value	20,353,560	40,665,672
Sales as per Milestone	125,784,260	22,500,000
Others	14,505,874	57,942

The Company is predominantly in the business of software development and its software is embedded along with certain components to assemble customized GPS and other related products.



Accord Software & Systems Private Limited

Notes forming integral part of Financial statements for the year ended 31st March, 2015

Particulars	2015 (₹)	2014 (₹)
39 Raw Materials Consumed		
Imported	47,862,556	53,642,091
Imported % to total	41.43%	42.54%
Indigenous	67,664,870	72,458,664
Indigenous % to total	58.57%	57.46%
Total	115,527,426	126,100,755

** The Components are used in the assembly of customized GPS and other related products. Considering the innumerable quantity of small components there are no components/materials which fall under broad heads with value less than 10% of total consumption and hence it is not practicable to give the quantitative information relating to components consumed.

40 Earnings in Foreign Currency

I. Export of goods calculated on F.O.B. basis.	22,707,917	9,147,722
II. Export of services.	652,491,304	674,481,728
III. Interest on loan to Subsidiaries.	8,855,681	8,181,278
IV. Business Support Services.	841,260	1,728,000
V. Royalty Income	6,527	219,065
	684,902,690	693,757,793

41 In the opinion of the Board, none of the assets have a value lower on realization in the ordinary course of business than the amount at which they are stated in the Financial Statements.

42 Most of the trade receivables, loans and advances and trade payables are subject to confirmation.

43 Most of the product sales in the domestic market have been made to Government Departments against Excise duty exemption certificate (EDEC) and hence there is no element of Excise duty on the sales made. Consequently, no Excise Duty has been collected on the sales of these products made during the year to such departments.

44 Comparatives:

Previous year's figures have been regrouped, reclassified wherever necessary to correspond with the current year classification/disclosure.

Signatures to Notes to the Financial Statements

J.M. Sundaresan
J M Sundaresan
Managing Director

Raghavendra Shenoy M
Raghavendra Shenoy M
CEO & Director

Bobjee Srinivas
Bobjee Srinivas
CFO & Company Secretary

Place : Bangalore
Date : 12.06.2015

As per our separate report of even date attached
For VARMA & VARMA
Chartered Accountants
FRN 0045325

Cherian K Baby
Cherian K Baby
Partner
M No.016043

Place : Bangalore
Date : 12.06.2015

