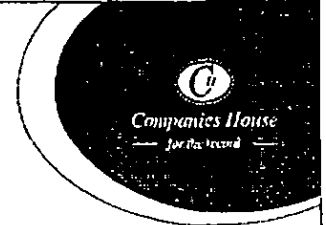


In accordance with Regulation 32 of the Overseas Companies Regulations 2009

OS AA01

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



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

What this form is NOT for
You cannot use this form to an alteration of manner of c with accounting requirements

FRIDAY



A239DPT4
A35 01/03/2013 #214
COMPANIES HOUSE

Part 1 Corporate company name

Corporate name of overseas company ①	ACCORD SOFTWARE & SYSTEMS PRIVATE LIMITED +
If the company has already been registered in the UK, please enter the establishment number below	
UK establishment number ②	B R 0 1 4 9 1 3

→ **Filing 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
② This should only be completed if the company has already been registered in the UK

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

A1 Legislation

Legislation ①	Please give the legislation under which the accounts have been prepared and, if applicable, the legislation under which the accounts have been audited INDIAN COMPANIES ACT 1956	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. <input type="checkbox"/> No. Go to Section A3 <input checked="" type="checkbox"/> Yes Please enter the name of the organisation or other body which issued those principles below, and then go to Section A3	④ Please insert the name of the appropriate accounting organisation or body
Name of organisation or body ③	CENTRAL GOVERNMENT OF INDIA	

A3 Accounts

Accounts	Have the accounts been audited? Please tick the appropriate box. <input type="checkbox"/> No. Go to Section A5 <input checked="" type="checkbox"/> Yes. Go to Section A4
----------	--

OS AA01

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

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

 No Go to Part 3 'Signature' 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 OF INDIA

A5

Unaudited accounts

Unaudited accounts

Is the company required to have its accounts audited?

Please tick the appropriate box

 No Yes

Part 3

Signature

Signature

I am signing this form on behalf of the & Systems Pvt. Ltd.
~~of Accounts of the overseas company~~

Signature

X

X

V. Raw
Chief Financial Officer &
Company SecretaryThis 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	
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 NR 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

ACCORD SOFTWARE & SYSTEMS PRIVATE LIMITED

**ACCOUNTS
FOR THE YEAR ENDED
31st MARCH 2012**

FRIDAY



A239DPTC

A35

01/03/2013

#215

COMPANIES HOUSE

AUDITORS' REPORT

The Members
Accord Software & Systems Private Limited
Bangalore

We have audited the attached Balance Sheet of Accord Software & Systems Private Limited as at 31st March 2012 and the Profit and Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

- I. As required by the Companies (Auditor's Report) Order, 2003, as amended, issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in Paragraphs 4 and 5 of the said Order to the extent applicable;
- II. Further to our comments in the Annexure referred to above, we report that
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit,
 - (ii) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books,
 - (iii) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account maintained,
 - (iv) In our opinion, the Balance Sheet and Profit and Loss Account dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.



Varma & Varma
Chartered Accountants

- (v) On the basis of written representations received from the directors and taken on record by the Board of Directors, we report that none of the directors of the company is disqualified as on 31st March 2012, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
- (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the significant accounting policies and notes on accounts attached thereto, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India
- a) in the case of the Balance Sheet, of the state of affairs of the company as at 31st March 2012; and
- b) in the case of the Profit and Loss Account, of the profit for the year ended on that date,



For VARMA & VARMA
Chartered Accountants
FRN 004532S

CHERIAN K BABY
Partner
M No.16043

Place . Bangalore
Date 18.5.2012

ANNEXURE TO AUDITOR'S REPORT

(Referred to in paragraph I of the Auditor's Report of even date to the members of Accord Software & Systems Private Limited on the financial statements for the year ended 31st March 2012)

1

- a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets which however needs to be further updated
- b) We are informed that the fixed assets of the company have been physically verified by the management during the year which, in our opinion is reasonable having regard to the size of the company and the nature of assets and that no material discrepancies have been noticed on such verification.
- c) The company has not disposed off substantial part of fixed assets during the year

2

- a) Physical verification of inventory has been conducted at reasonable intervals by the management In our opinion the frequency of verification is reasonable
- b) In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and nature of its business;
- c) The company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification,

3

- a) During the year, the Company has granted unsecured loans aggregating to Rs 3,34,93,651/- to two parties covered in the register maintained u/s 301 of the Companies Act At the year-end, the outstanding balances of such loans granted aggregated to Rs 5,22,42,346/- and the maximum amount involved during the year was Rs 5,22,42,346/-
- b) In case of these loans there is no fixed repayment schedule, however during the year management has charged interest on such loans disbursed during the year at rates which, in our opinion, is prima facie not prejudicial to the interests of the Company



Varma & Varma
Chartered Accountants

- c) Even though the loans granted during the year are interest bearing, no repayment schedule has been fixed for principal or interest in case of one loan. In case of the other loan the entire amount of principal and interest has been repaid in full.
 - d) In respect of the outstanding loan, no repayment schedule has been fixed and hence no amount is considered as overdue.
 - e) The Company had taken loans aggregating to Rs.75,00,000/- from one party covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 40,00,000/- and the year-end balance of loans taken from such party was Rs Nil.
 - f) The interest bearing loans taken from the directors were duly repaid and the terms and conditions are not considered prima facie prejudicial to the interests of the Company.
 - g) In respect of the loans taken, no repayment schedule had been fixed and the loan has been fully repaid before the year-end.
4. In our opinion and according to the information and explanations given to us and having regard to the explanation that certain items purchased are of special nature for which suitable alternative sources do not exist for obtaining comparative quotations, 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 and services. There are no major weaknesses in the internal control system.
5. According to the information and explanations given to us, other than the transactions referred to in clause 3 which have been duly entered there are no other transactions to be entered in the register maintained pursuant to Section 301 of the Companies Act, 1956.
6. The Company has not accepted any deposits within the meaning of Section 58A and 58AA of the Companies Act, 1956 and rules framed there under.
7. The paid-up capital and reserves of the company exceed Rs 50 lakhs and the average annual turnover for the immediately three preceding years is more than Rs 5 crores and the company has an internal audit system commensurate with its size and nature of its business.
8. We have relied on the compliance report by a Cost Audit Firm regarding the maintenance of the prescribed records who have concluded that proper cost records, as per Companies (Cost Accounting Records) Rules, 2011 prescribed under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956 have been maintained by the company.



Varma & Varma
Chartered Accountants

9.

- a) According to the information and explanations given to us and as per our verification of the records of the company, the company has been regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess and any other statutory dues to the extent applicable with the appropriate authorities during the year. There are no arrears of undisputed statutory dues of material nature outstanding for a period of more than six months from the date on which they became payable except as below

Nature of the Statute	Nature of the dues	Amount (Rs in thousands)	Period to which the amount relates to	Due Date	Date of payment
Income Tax Act, 1961	Advance tax	7,283	AY 2011-12	31.03.2011	14.5.2012
Income Tax Act, 1961	Advance tax	7,377	AY 2012-13	15.09.2011	

- b) According to the information and explanations given to us and as per our verification of the records of the Company, there are no dues of sales tax, income tax, customs duty, service tax which is the subject matter of any dispute
- 10 There are no accumulated losses at the end of the financial year. The company has not incurred cash losses during the year
- 11 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 financial institutions or banks
- 12 According to the information and explanations given to us and as per the verification of the records of the company, guarantees amounting to Rs 200 lakhs given by the company for the working capital facilities availed from a bank by a subsidiary of the company is not prejudicial to the interests of the company
- 13 According to the information and explanation given to us, term loans obtained by the company during the year were applied for the purpose for which they were obtained



Varma & Varma
Chartered Accountants

- 14 According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that the company has used funds raised on short-term basis to give loans to its subsidiary As mentioned in para 3(b) above, no repayment schedule has been fixed for this loan If these loans are considered as long term the short term funds used for long term purposes would amount to Rs 18,852,368/-
- 15 The company has not made any preferential allotment of shares to companies covered in the Register maintained under section 301 of the Companies Act,
- 16 The company has not made any public issue during the year
- 17 According to the information and explanations given to us and based on our verification of records, no instance of fraud on or by the company has been noticed or reported during the year



Place Bangalore
Date 18 5 2012

For VARMA & VARMA
Chartered Accountants
FRN 0045328

CHERIAN K BABY
Partner
M No 16043

ACCORD SOFTWARE & SYSTEMS PRIVATE LIMITED

Balance Sheet as at 31st March

(Amounts in Indian Rupees)

Particulars	Note No	2012	2011
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	18,150,000	18,150,000
(b) Reserves and Surplus	2	179,244,211	128,452,802
(2) Non-Current Liabilities	3		
(a) Long-term borrowings		1,910,456	7,944,850
(b) Deferred tax liabilities (Net)		19,207,626	4,694,667
(c) Long term provisions		2,266,106	480,170
(3) Current Liabilities	4		
(a) Short-term borrowings		63,493,424	48,208,139
(b) Trade payables		72,545,392	43,316,454
(c) Other current liabilities		51,011,991	39,941,928
(d) Short-term provisions		50,205,554	39,281,698
TOTAL		458,034,760	330,470,708
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets	5		
(i) Tangible assets		67,312,586	62,974,579
(ii) Intangible assets		38,984,294	1,820,519
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		506,335	-
(b) Non-current investments	6	-	-
(c) Long term loans and advances	7	55,930,850	18,030,688
(2) Current assets			
(a) Inventories	8	31,126,882	20,043,938
(b) Trade receivables	9	183,933,987	185,951,128
(c) Cash and cash equivalents	10	53,470,367	24,129,269
(d) Short-term loans and advances	11	23,651,952	17,173,953
(e) Other current assets	12	3,117,507	346,634
TOTAL		458,034,760	330,470,708

Significant Accounting Policies and Notes to Accounts 20

As per our separate report of even date attached

For VARMA & VARMA
Chartered Accountants
FRN 004532S

J.M. Sundaresan
J M SUNDARESAN
Managing Director

V NARAYANASAMY
Director

V RAVI
Chief Financial Officer
& Company Secretary

CHERIAN K BABY
Partner
M No 16043

Place Bangalore
Date 18 5 2012

Place Bangalore
Date 18 5 2012



ACCORD SOFTWARE & SYSTEMS PRIVATE LIMITED

Statement of Profit and Loss for the year ended 31st March

(Amounts in Indian Rupees)

Particulars	Note No	2012	2011
I. Revenue from operations			
a) Revenue From Operations	13	513,259,035	451,129,710
b) Less Excise duty		249,119	1,482,016
Total Revenue from Operations		513,009,916	449,647,694
II Other Income			
	14	24,635,683	5,567,025
TOTAL REVENUE		537,645,599	455,214,719
III. Expenditure:-			
a) Cost of materials consumed	15	56,421,913	31,687,439
b) Changes in inventories of work-in-progress	16	(3,818,023)	1,879,279
c) Employee benefit expense	17	270,350,464	212,584,147
d) Financial costs	18	15,827,080	12,015,020
e) Depreciation and amortization expense		11,332,496	8,008,716
f) Other expenses	19	79,088,599	91,936,509
TOTAL EXPENSES		429,202,529	358,111,109
IV Profit before exceptional and extraordinary items and tax		108,443,070	97,103,611
V Tax expense:			
Current tax		22,043,866	26,574,323
Deferred tax (gain)/expense [refer note 3 2]		14,512,958	1,603,399
Fringe Benefit tax (of earlier years)		-	164,175
VI Profit (Loss) for the year after tax		71,886,247	68,761,714
VII Earning per equity share.			
Number of Equity Shares of Rs 10/- each		1,815,000	1,815,000
(1) Basic		39 61	37.89
(2) Diluted		39 61	37.89

The accompanying notes form an integral part of the accounts

As per our separate report of even date attached

For VARMA & VARMA
Chartered Accountants
FRN 004532S

J. M. Sundaresan
J M SUNDARESAN
Managing Director

V NARAYANASAMY
Director

V RAVI
Chief Financial Officer
& Company Secretary

CHERIAN K BABY
Partner
M No 16043

Place Bangalore
Date 18 5 2012

Place Bangalore
Date 18/5/12



ACCORD SOFTWARE & SYSTEMS PRIVATE LIMITED

Notes forming part of Balance Sheet as at 31st March

(Amounts in Indian Rupees)

Particulars	2012	2011
1 SHARE CAPITAL		
1.1 Equity Share Capital		
1.1.1 Authorised Equity Share Capital 20,00,000 Equity Shares (20,00,000 Shares) of Rs 10/- each	20,00,000	20,00,000
1.1.2 Issued, Subscribed and Fully Paid Up 18,15,000 Equity Shares (18,15,000 Shares) of Rs 10 each	18,15,000	18,15,000

1.2 Reconciliation of the number of shares outstanding as at 31st March 2012 and 31st March 2011 is set out below.

Particulars	31st March 2012		31st March 2011	
	No. of shares	Amount	No. of shares	Amount
Equity Shares outstanding :				
at the beginning of the period	1,815,000	18,150,000	1,815,000	18,150,000
at the end of the period	1,815,000	18,150,000	1,815,000	18,150,000
Change in Equity shares outstanding	-	-	-	-

1.3 Shares in the company held by each shareholder holding more than 5 per cent shares

Name of the shareholder	31-Mar-12	31-Mar-11
J M Sundaresan	386,380	386,380
S Purushotham	386,380	386,380
V Narayanasamy	386,380	386,380
R Devanathan	363,860	363,860
Raghavendra Shenoy M	292,000	292,000
Total	1,815,000	1,815,000

1.4 Notes on Share Capital

1.4.1 The company has only one class of shares referred to as equity shares having of a par value of Rs 10/- Each holder of equity share is entitled to one vote per share

1.4.2 The company declares and pays dividends in Indian rupees

1.4.3 For the year ended 31st March 2012, the amount proposed as dividend by the Board of Directors is Rs 10/- per share (PY Rs 2 5/- per share) The dividend proposed by the Board of directors is subject of the approval of the shareholders in the ensuing Annual General Meeting

1.4.4 There are no preferences or restrictions attaching to class of shares mentioned above



ACCORD SOFTWARE & SYSTEMS PRIVATE LIMITED

Notes forming part of Balance Sheet as at 31st March

(Amounts in Indian Rupees)

1 4 5 During any of the last five years ending 31st March 2012

No shares were allotted as fully paid up pursuant to contract(s) without payment being received in cash

No shares were allotted as fully paid up by way of bonus shares
No shares were bought back

1 4 6 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

2 RESERVES & SURPLUS

2.1 Reserves

General Reserve		
Opening Balance	13,688,223	6,812,052
Add Transferred during the year from surplus	7,188,625	6,876,171
Closing Balance	20,876,848	13,688,223
Reserves - Closing Balance	20,876,848	13,688,223

2.2 Surplus in Profit and Loss Statement

Surplus - Opening Balance	114,764,579	58,152,632
Profit for the year as per VI of Statement of Profit and Loss	71,886,247	68,761,714
<u>Less:- Appropriations</u>		
Interim Dividend	-	4,537,500
Final Dividend	18,150,000	-
Tax on Dividend	2,944,838	736,096
Transfer to General Reserve	7,188,625	6,876,171
Surplus - Closing Balance	158,367,363	114,764,579

TOTAL RESERVES & SURPLUS

179,244,211 128,452,802

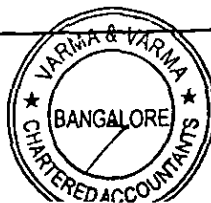


ACCORD SOFTWARE & SYSTEMS PRIVATE LIMITED

Notes forming part of Balance Sheet as at 31st March

(Amounts in Indian Rupees)

Particulars	2012	2011
3 NON CURRENT LIABILITIES		
3.1 Long Term Borrowings		
3.1.1 Secured		
Term Loans from Banks	-	4,760,000
Vehicle Loans from Banks	1,543,777	2,094,039
Vehicle Loans from Other Parties	366,679	1,090,811
Total Secured Long Term Borrowings	1,910,456	7,944,850
3.1.2 Total Long Term Borrowings	1,910,456	7,944,850
3.1.3 Notes on Long Term Borrowings		
(i) Term loans from Banks are secured by a first charge on the assets acquired out of term loan and second charge on all fixed assets of the company.		
(ii) The above loans are also personally guaranteed by all the Directors and are further secured by equitable mortgage of property belonging to a Director		
(iii) The vehicle loans from banks as well as from other parties have been secured by hypothecation of assets purchased under the loan agreement. These loans are pending registration of charges		
(iv) Term loans and vehicle loans are repayable in quarterly / monthly instalments over the agreed repayment period		
(v) There has been no continuing default as on Balance Sheet date in repayment of loans and interest		
3.2 Deferred Tax Liabilities (NET)		
Deferred Tax Liability		
On timing differences of depreciation between Companies Act and Income Tax	20,748,348	6,238,260
Gross deferred tax liability	20,748,348	6,238,260
Deferred tax Asset		
On timing differences of expenditure allowed only on payment basis for Income Tax	(1,383,097)	(1,375,978)
On timing differences of expenditure allowed only on remittance of TDS	(157,626)	(1,360)
On Provision for doubtful debts not allowed in Income Tax	-	(166,255)
Gross deferred tax asset	(1,540,722)	(1,543,594)
Net Deferred tax liability	19,207,626	4,694,667
3.4 Long Term Provisions		
Provision for employee benefits		
Gratuity	1,437,070	480,170
Leave encashment	829,036	-
Total Long term provision	2,266,106	480,170
TOTAL NON CURRENT LIABILITIES	23,384,188	13,119,687



ACCORD SOFTWARE & SYSTEMS PRIVATE LIMITED

Notes forming part of Balance Sheet as at 31st March

(Amounts in Indian Rupees)

Particulars	2012	2011
4 CURRENT LIABILITIES		
4.1 Short Term Borrowings		
4.1.1 Secured		
Cash Credit from banks repayable on demand	63,493,424	48,208,139
4.1.2 Notes on Short Term Borrowings-		
(i) Cash credit from Banks represent the working capital funds which are secured by a first charge by way of hypothication of stock and trade receivables and second charge on the fixed assets of the company		
(ii) The above loans are also personally guaranteed by all the Directors and are further secured by equitable mortgage of property belonging to a Director		
(iii) There has been no continuing default as on Balance Sheet date in repayment of loans and interest		
4.2 Trade Payables	72,545,392	43,316,454
4.3 Other Current Liabilities		
Current matunties of long term debt		
(i) Current matunties of term loans from banks	4,299,825	4,039,577
(ii) Current matunties of vehicle loans from banks	1,273,935	1,266,105
(iii) Current matunties of vehicle loans from other parties	724,132	659,686
Interest accrued but not due on borrowings	-	404,934
Income received in advance	25,082,204	24,746,472
Other payables	19,631,895	8,825,154
Total	51,011,991	39,941,928
4.4 Short Term Provisions		
Provision for employee benefits		
Gratuity	1,879,908	1,603,424
Leave encashment	22,385	491,753
Superannuation	-	3,106,463
Proposed Dividend	18,150,000	4,537,500
Provision for Dividend distribution Tax	2,944,838	736,096
Provision for Income Tax [net of advance tax]	27,203,290	28,792,738
Other provisions	5,134	13,724
Total Short Term Provision	50,205,554	39,281,698
TOTAL CURRENT LIABILITIES	237,256,361	170,748,219

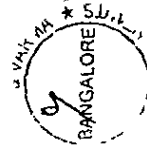


ACCORD SOFTWARE & SYSTEMS PRIVATE LIMITED

Notes forming part of Balance Sheet as at 31st March 2012

5. FIXED ASSETS

Description	Gross Block				Depreciation			Net Block	
	As at 31 Mar 2011	Additions / Adjustments	Disposals / Adjustments	As at 31 Mar 2012	As at 31 Mar 2011	For the year	Disposals / Adjustments	As at 31 Mar 2012	As at 31 Mar 2012
Tangible assets :									
Freehold Land	7,850,757	-	-	7,850,757	-	-	-	-	7,850,757
Leasehold land	-	(7,850,757)	-	(7,850,757)	-	-	-	-	(7,850,757)
Buildings	(7,533,962)	(316,795)	(7,850,757)	-	69,803	-	-	-	-
	9,892,897	-	-	9,892,897	-	166,201	-	236,004	9,656,893
Leasehold improvement	18,776,899	(9,892,897)	-	(9,892,897)	-	(69,803)	-	(69,803)	(9,823,094)
	(18,547,999)	1,528,483	-	20,305,382	18,373,506	323,803	-	18,697,309	1,608,073
Plant and Equipment	34,216,036	(228,900)	-	(18,776,899)	(17,326,619)	(1,151,039)	(104,152)	(18,373,506)	(403,393)
	(33,523,678)	4,860,002	331,200	38,744,840	9,646,466	1,708,025	64,307	11,290,184	27,454,656
Computers and accessones	21,031,063	(692,360)	-	(34,216,038)	(8,037,511)	(1,608,955)	-	(9,646,466)	(24,569,572)
	(18,344,336)	2,874,450	-	23,905,513	16,639,032	1,683,901	-	18,322,933	5,582,580
Furniture and Fixtures	8,186,119	(2,686,725)	-	(21,031,063)	(14,965,277)	(1,673,755)	-	(16,639,032)	(4,392,031)
	(8,086,060)	1,014,046	-	9,200,165	5,210,152	825,494	-	6,035,646	3,164,519
Vehicles	13,411,473	(100,059)	-	(8,186,119)	(4,707,038)	(503,114)	-	(5,210,152)	(2,975,967)
	(7,434,285)	1,026,958	2,991,922	11,446,508	3,062,953	989,627	1,325,446	2,727,134	8,719,375
Office equipment	4,343,425	(7,329,063)	(1,351,875)	(13,411,473)	(2,951,500)	(902,085)	(790,632)	(3,062,953)	(10,348,520)
	(4,084,921)	927,073	-	5,270,498	1,732,180	262,585	-	1,994,765	3,275,733
Total Tangible Assets (A)	117,708,671	12,231,012	3,323,122	126,616,561	54,734,092	5,959,636	1,389,753	59,303,975	67,312,586
	(97,555,243)	(29,356,060)	(9,202,632)	(117,708,671)	(49,459,204)	(6,169,672)	(894,784)	(54,734,092)	(62,974,579)



ACCORD SOFTWARE & SYSTEMS PRIVATE LIMITED

Notes forming part of Balance Sheet as at 31st March 2012

5. FIXED ASSETS

Description	Gross Block			Depreciation			Net Block	
	As at 31 Mar 2011	Additions / Adjustments	Disposals / Adjustments	As at 31 Mar 2012	For the year	Disposals / Adjustments	As at 31 Mar 2012	As at 31 Mar 2012
Intangible assets :								
License	-	5,865,267	-	5,865,267	1,646,160	-	1,646,160	4,219,107
Technical Knowhow	-	33,411,260	-	33,411,260	928,091	-	928,091	32,483,170
Computer Software	17,808,750	3,260,108	-	21,068,858	2,798,610	-	18,786,841	2,282,017
	(15,031,208)	(2,777,542)	-	(17,808,750)	(1,839,044)	-	(15,988,231)	(1,820,519)
Total Intangible Assets (B)	17,808,750	42,536,635	-	60,345,385	5,372,860	-	21,361,091	38,984,294
	(15,031,208)	(2,777,542)	-	(17,808,750)	(1,839,044)	-	(15,988,231)	(1,820,519)
Intangible assets under development:								
Patents	-	506,335	-	506,335	-	-	-	506,335
Total Fixed Assets	135,517,421	55,273,982	3,323,122	187,468,281	11,332,496	1,389,753	80,665,066	106,803,215
Previous year	(112,586,451)	(32,133,602)	(9,202,632)	(135,517,421)	(8,008,716)	(894,784)	(70,722,323)	(64,795,098)

Amounts in brackets represents previous year's figures

Note:-

a) The Company has complied with and completed all formalities in respect of land acquired from Karnataka State Electronics Development Corporation Limited at Electronic City, Bangalore on a lease cum sale basis. Accordingly, the Company has got the absolute sale deed for the aforementioned property registered in its name on 07 01 2011. The land has thus become a freehold property and the same has been accordingly disclosed as freehold land under Fixed Asset during the previous year

b) Vehicles include motor cars purchased on Hire Purchase/loan basis

Assets	2012		2011	
	Cost	WDV	Cost	WDV
Motor Car	518,474	382,989	1,530,704	1,103,034



ACCORD SOFTWARE & SYSTEMS PRIVATE LIMITED

Notes forming part of Balance Sheet as at 31st March 2012

(Amounts in Indian Rupees)

Particulars	2012	2011
6 NON CURRENT INVESTMENTS		
6.1 Trade Investments (At Cost)		
Investment in Equity Instruments		
6.1.1 Subsidiary Companies		
Equity Instruments - Fully Paid - Unquoted	326,034	326,034
[1500 Shares of US\$ 5 Each Fully paid up in Accord Software & Systems Inc, USA - 100% Holding (100% Previous Year)]		
Total Trade Investments	326,034	326,034
Less - Provision for Dimunition in the value of investments	326,034	326,034
TRADE INVESTMENTS & OTHER INVESTMENTS (NET OF PROVISION)	-	-
7 LONG TERM LOANS AND ADVANCES		
7.1 Capital Advances		
Unsecured, considered good	546,511	115,940
7.2 Security Deposits		
Unsecured, considered good		
Rental deposits	2,437,454	5,226,989
Other deposits	704,537	747,711
	3,141,991	5,974,700
7.3 Loans to related parties (refer 7.4)		
Unsecured, considered good (refer note 20 (II) 4)	52,242,348	11,940,048
TOTAL OF LONG TERM LOANS AND ADVANCES	55,930,850	18,030,688
Long Term Loans and Advances due from :		
Subsidiary	52,242,348	11,940,048



ACCORD SOFTWARE & SYSTEMS PRIVATE LIMITED

Notes forming part of Balance Sheet as at 31st March 2012

(Amounts in Indian Rupees)

Particulars	2012	2011
8 INVENTORIES		
8.1 Valued at Lower of Cost or Realisable value		
Raw Materials	20,307,061	13,042,140
Work in Progress	10,819,821	7,001,798
TOTAL OF INVENTORIES	31,126,882	20,043,938
9 TRADE RECEIVABLES		
9.1 Outstanding for a period more than six months from		
Unsecured considered good	35,243,116	16,043,060
Unsecured considered doubtful	-	512,420
Less.- Provison for Doubtful receivables	-	512,420
	35,243,116	16,043,060
9.2 Other Trade Receivables		
Unsecured considered good	148,690,871	169,908,068
TOTAL OF TRADE RECEIVABLES	183,933,987	185,951,128
Trade Receivable stated above include debts due by		
Step down subsidiary	959,194	861,054
10 CASH AND BANK BALANCES		
10.1 Cash and Cash equivalents		
Balances with Bank	2,810,878	2,106,292
Cash on hand	36,119	33,556
10.2 Other Bank balances		
Includes Earmarked balances		
Margin money	34,580,500	9,600,000
Security against borrowings	16,000,234	12,350,234
Bank deposits with more than 12 months matunty	42,636	39,187
TOTAL OF CASH AND BANK BALANCES	53,470,367	24,129,269



ACCORD SOFTWARE & SYSTEMS PRIVATE LIMITED

Notes forming part of Balance Sheet as at 31st March 2012

(Amounts in Indian Rupees)

Particulars	2012	2011
11 SHORT TERM LOANS AND ADVANCES		
<i>Unsecured considered good</i>		
11.1 Loans and Advances to Related Parties (Refer Note 11.3 below)		
(i) For supply of goods and rendering of service	94,008	94,008
11.2 Loans and Advances to others		
(i) Security deposit	3,829,279	654,149
(ii) Prepaid expenses	4,726,453	3,467,573
(iii) For supply of goods and rendering of service	4,091,309	6,743,827
(iv) Advance Income Tax & Tax Deducted at Source [net of provisions]	1,383,667	1,035,815
(v) Balances with government and statutory authorities	8,436,040	4,722,529
(vi) Advances with employees	932,330	403,027
(vii) Others	158,866	53,025
Total of Loans and Advances to Others	23,557,944	17,079,945
TOTAL OF SHORT TERM LOANS AND ADVANCES	23,651,952	17,173,953
Details of Related Parties		
Step down subsidiary	94,008	94,008
12 OTHER CURRENT ASSETS		
12.1 Interest Accrued but not due on deposits	3,117,507	346,634
TOTAL OF OTHER CURRENT ASSETS	3,117,507	346,634

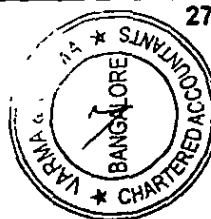


ACCORD SOFTWARE & SYSTEMS PRIVATE LIMITED

Notes forming part of Statement of Profit and Loss for the year ended 31st March

(Amounts in Indian Rupees)

Particulars	2012	2011
13 REVENUE FROM OPERATIONS		
Sale of products	149,482,502	134,753,470
Sale of services	295,951,533	316,221,972
Accrued Income on contracts	67,825,000	-
Other operating revenues - Royalty	-	154,268
TOTAL OF REVENUE FROM OPERATIONS	513,259,035	451,129,710
14 OTHER INCOME		
Interest Income	7,557,300	3,621,483
Foreign Exchange Gain (net)	16,116,992	1,698,764
Other non-operating income - Net	961,391	246,778
TOTAL OF OTHER INCOME	24,635,683	5,567,025
15 RAW MATERIALS/COMPONENTS CONSUMED		
Opening Stock	13,042,140	11,156,348
Add Purchases	54,947,916	30,529,836
Freight, Customs and Cleaning Charges	9,547,460	3,043,395
Purchase Returns	808,543	-
Less Closing Stock	20,307,061	13,042,140
TOTAL OF RAW MATERIALS /COMPONENTS CONSUMED	56,421,912	31,687,439
16 CHANGES IN INVENTORIES OF WORK IN PROGRESS		
Work - in - progress - Opening	7,001,798	8,881,077
Work - in - progress - Closing	10,819,821	7,001,798
TOTAL OF CHANGES IN WORK IN PROGRESS	(3,818,023)	1,879,279
17 EMPLOYEE BENEFITS		
Salaries, Wages and Bonus	245,445,777	195,100,183
Contribution to Provident and other funds	16,003,751	10,645,075
Staff welfare expenses	8,433,418	6,395,204
Recruitment & Training expenses	467,518	443,685
TOTAL OF EMPLOYEE BENEFITS	270,350,464	212,584,147



ACCORD SOFTWARE & SYSTEMS PRIVATE LIMITED

Notes forming part of Statement of Profit and Loss for the year ended 31st March

(Amounts in Indian Rupees)

Particulars	2012	2011
18 FINANCE COSTS		
Interest expense on borrowings	9,118,750	7,100,838
Bank charges	4,036,286	2,423,723
Interest expense on delayed taxes	1,822,344	1,910,869
Interest - others	849,701	579,590
TOTAL OF FINANCE COSTS	15,827,080	12,015,020
19 OTHER EXPENSES		
Job work and Testing charges	7,502,158	3,342,701
Power and fuel	3,546,105	3,213,615
Rent	13,171,260	10,541,024
Repairs & Maintenance		
- Buildings	24,378	24,178
- Machinery	1,158,473	1,598,019
- Others	2,093,736	960,541
Insurance	693,957	292,438
Rates and taxes	567,521	1,845,408
Travelling and Conveyance	17,320,733	34,801,125
Professional Charges	22,124,200	24,684,295
Auditors' Remuneration - see Note 19 1 below	565,500	554,421
Communication expenses	2,258,983	2,515,889
Advertisement and Sales Promotion	2,436,184	3,376,279
Discount and Incentive	259,280	9,827
Provision for Doubtful debts	-	512,420
Directors' Sitting Fees	80,000	120,000
Security Service Charges	1,008,512	849,228
Loss on Sale / Discarding of Fixed Assets (net)	1,226,878	208,862
Prior period expenses	250,000	(104,152)
Miscellaneous Expenses	2,800,741	2,590,389
TOTAL OF OTHER EXPENSES	79,088,599	91,936,509
19.1 Auditors' Remuneration		
a as auditor	460,000	400,000
b for taxation matters	85,000	100,373
c for company law matters	-	-
d for management services	-	-
e. for other services	20,500	54,048
f for reimbursement of expenses	-	-
	565,500	554,421



• ACCORD SOFTWARE & SYSTEMS PRIVATE LIMITED

Notes forming part of Accounts for the year ended 31st March 2012

20(I). SIGNIFICANT ACCOUNTING POLICIES

1. Basis of preparation of Financial Statements:

The financial statements are prepared under the historical cost convention and in accordance with the provisions of the Companies Act, 1956 and the Accounting Standards contained in the Companies (Accounting Standards) Rules, 2006 (Indian GAAP) as adopted consistently by the company

2. Use of Estimates

The preparation of the financial statements in conformity with Indian GAAP requires that the management make 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

3. 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

4. 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



ACCORD SOFTWARE & SYSTEMS PRIVATE LIMITED

Notes forming part of Accounts for the year ended 31st March 2012

- (ii) Depreciation on fixed assets is provided using the Straight-Line Method at the rates and in the manner prescribed in Schedule XIV of the Companies Act, 1956 except for expenditure on lease hold properties where it is amortised over the period of lease or estimated useful life, whichever is lower. The management estimates useful lives of the other fixed assets as follows
- Software - 2 Years
 - Technical Know How - 3 Years
 - Licenses - 3 Years

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

- (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.

5. 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.

6. 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.

7. 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 account on settlement/translation.

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 Account 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.



ACCORD SOFTWARE & SYSTEMS PRIVATE LIMITED

Notes forming part of Accounts for the year ended 31st March 2012

8. 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 Account every year. The Company's contributions to State plans (viz , Employees State Insurance and Employee Pension Scheme) are also charged to Profit and Loss Account as expense during the period in which the employees perform the service

iii) Defined-benefit plan.

Gratuity

The company's Gratuity scheme is administered through the Employee's 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 Profit and Loss account for the period in which they occur

Compensated Absences (Earned 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 Profit and Loss Account as income or expense

9. 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 part of Accounts for the year ended 31st March 2012

10 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 Profit and Loss Account on a straight-line basis over the lease term.

11. Taxes on Income

Tax expense comprising current tax and deferred tax are recognised in the profit and loss account 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 profits and concessions.

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.

12. 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.

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

13. 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 Account to the extent the carrying amount exceeds the recoverable amount.



ACCORD SOFTWARE & SYSTEMS PRIVATE LIMITED

Notes forming part of Accounts for the year ended 31st March 2012

(Amounts in Indian Rupees)

20(II). NOTES TO ACCOUNTS

1 Contingent Liabilities and Commitments :

Particulars	2012	2011
1.1 Contingent Liabilities		
a Disputed income tax for A/y 2007-08 – Rs 2 79 Lakhs, (paid under protest during the year 2011-12 Rs 2 79 Lakhs)	-	279,000
b Claim against liquidated damages	4,230,000	4,230,000
Total claims against the company not acknowledged as debts	4,230,000	4,509,000
1.2 Commitments		
a Bond executed in favour of the Customs Authorities which is covered by bank guarantee to the extent of Rs 361 (PY– Rs 361)	7,225,000	7,225,000
b Guarantee issued to bankers for providing letter of comfort to foreign subsidiary for obtaining working capital facility	20,000,000	20,000,000
c Contingent liabilities against performance guarantees issued by the bank	11,354,205	10,521,000
Total	38,579,205	37,746,000
1.3 Total Contingent Liabilities and Commitments	42,809,205	42,255,000

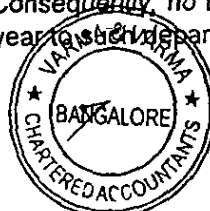
2 In the opinion of the Board, none of the assets have a value lower on realization in the ordinary course of business than the amount at which they are stated in the Balance Sheet.

3 Most of the sundry debtors, loans and advances and sundry creditors are subject to confirmation

4 The Company has granted a loan to Accord Software & Systems Inc, USA, a wholly owned subsidiary, in March 2002 for rupee equivalent of USD 142,640, an additional approval of USD 500,000 during financial year 2009-10 and 2011-12 respectively Over the years Company has been receiving periodic repayments from the subsidiary and as at the year-end USD 1,030,218 is outstanding (PY outstanding was USD 228,040) Based on the subsidiary's proposed activities over the next three years and related cash inflows as approved by the Board of Directors, the management is confident of recovery of the entire loan outstanding and accordingly, no provision for doubtful recovery of the loan is made in these accounts

5 There are no creditors that are micro, small or medium enterprises, as defined under the Micro, Small and Medium Enterprises Development Act, 2006 who have notified the company Accordingly, no disclosures are made in this regard

6 Most of the product sales have been made to Government Departments 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



ACCORD SOFTWARE & SYSTEMS PRIVATE LIMITED

Notes forming part of Accounts for the year ended 31st March 2012

(Amounts in Indian Rupees)

- 7 Provision for current tax is made on tax payable method considering the application of Minimum Alternate Tax. The credit available for such tax against tax liabilities of the future have not been recognized in the books as a prudent measure

8 Employee Benefits:

a) Defined Contribution Plan

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

Particulars	2012	2011
Contribution to Superannuation	1,686,600	1,574,438
Employer's contribution to Provident Fund	6,715,554	5,867,283
Employer's contribution to social security (UK)	462,008	54,647
Employer's contribution to social security (Germany)	4,046,736	2,069,050
Employers contribution to Employee's State Insurance	181,138	1,98,770
Total	13,092,036	9,565,418

b) Defined Benefit Plans

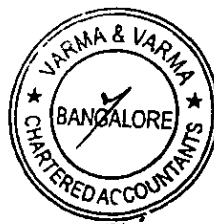
The Company provides for gratuity, (funded with LIC of India) a defined benefit plan (the gratuity plan) to its employees. The gratuity plan provides a lump sum payment to vested employees at retirement or termination of employment based on the respective employee's last drawn salary and years of employment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

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

The principal actuarial assumptions used in the valuation of the above liabilities are as follows

Actuarial Assumptions	2012	2011	2012	2011
	Gratuity	Gratuity	Leave	Leave
Discount factor	8.50%	8.00%	8.50%	8.00%
Salary Escalation	4.00%	4.00%	4.00%	4.00%
Estimated rate of return on plan assets	9.25%	8.00%	NA	NA
Retirement Age	60 Years	60 Years	60 Years	60 Years
Mortality Rate	LIC (94-96) Ultimate	LIC (94-96) Ultimate	LIC (94-96) Ultimate	LIC (94-96) Ultimate

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.



ACCORD SOFTWARE & SYSTEMS PRIVATE LIMITED

Notes forming part of Accounts for the year ended 31st March 2012

(Amounts in Indian Rupees)

9 Foreign Exchange exposure not hedged by derivative instruments or otherwise

Currency	Amount in foreign currency	Amount in INR	Amount in foreign currency	Amount in INR
Receivables	2012		2011	
USD	1,749,210	88,702,439	2,088,737	92,447,476
EUR	242,362	16,344,893	405,863	25,240,614
GBP	63,485	5,127,049	230,291	16,245,242
Payables				
USD	17,250	888,882	19,630	886,687
EUR	69,158	4,775,360	-	-
GBP	7,701	635,966	9,322	675,845

10 Lease

Finance Lease

The company has purchased assets on hire purchase (finance lease)

Present value of future minimum lease payments under these agreements as at 31st March 2011 is as follows

Particulars	2012	2011
Not later than one year	28,088	300,984
One to five years	-	28,088
Above five years	-	-
Total	28,088	329,072
Amount representing future interest	394	17,464
Amount towards principal	27,694	311,608

11 Expenditure on Research & Development :

	2012	2011
Acquisition of capital goods	2,003,839	2,234,629
Material consumed (including consumption of stores)	29,655,126	2,969,209
Personnel Costs	41,020,905	37,065,881
Operating and other expenses	3,181,113	277,677
Total (A)	75,860,983	42,547,396
Transferred to Fixed Assets.		
Plant & Machinery	424,627	254,879
Lab & QC Equipment	1,579,212	89,750
Office Equipment	-	1,890,000
Patents under grant	506,335	-
Technical Knowhow	33,411,260	-
Total (B)	35,921,434	2,234,629
Debited to Profit & Loss account (A - B)	39,939,549	40,312,767



ACCORD SOFTWARE & SYSTEMS PRIVATE LIMITED

Notes forming part of Accounts for the year ended 31st March 2012

(Amounts in Indian Rupees)

20(II). NOTES TO ACCOUNTS

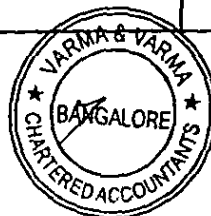
12 Related Party Disclosures

a) Related Parties:

#	Related Party	Relationship
1	Accord Software & Systems Inc , USA	Subsidiary Company
2	Accord Technology LLC	Subsidiary of Subsidiary
3	J.M Sundaresan	Key Management Personnel
4	M R Shenoy	Key Management Personnel
5	R Devanathan	Key Management Personnel
6	S Purushotham	Key Management Personnel
7	V Narayanasamy	Key Management Personnel
8	S Shivaranjini	Relative of KMP
9	Accord Software & Systems Employees Superannuation Fund	Parties where KMP have significant influence
10	Infocript Services (P) Ltd	Parties where KMP have significant influence

b) Transactions with related parties

Particulars	Key Management Personnel	Relative of KMP	Subsidiary Company	Subsidiary of Subsidiary Company	Parties where KMP has significant influence
Salary, bonus & allowances *		(65,496)			
J M Sundaresan	6,130,500 (4,324,097)				
M R Shenoy	6,016,020 (4,204,217)				
R Devanathan	6,016,020 (4,204,217)				
S Purushotham	6,130,500 (4,324,097)				
V Narayanasamy	6,016,020 (4,215,421)				
Sales				259,460 (866,493)	
				215,565	
Expenses incurred on party's behalf				93,176 (100,503)	
Loans/ Advances given			31,843,651 (14,501,974)		1,650,000 (650,000)
Loans/ Advances received & squared off	7,500,000 (6,100,000)				



ACCORD SOFTWARE & SYSTEMS PRIVATE LIMITED

Notes forming part of Accounts for the year ended 31st March 2012

(Amounts in Indian Rupees)

Particulars	Key Management Personnel	Relative of KMP	Subsidiary Company	Subsidiary of Subsidiary Company	Parties where KMP has significant influence
Interest paid on the Loans/Adv. Received	245,089 (-)	-	-	-	-
Interest on the advances given	-	-	4,510,514 (1,844,631)	-	6,098 (31,893)
Rent paid	-	-	-	-	960,000 (320,000)
Guarantee furnished to the bank for the working capital finance	-	-	-	20,000,000 (20,000,000)	-
Closing Balance Cr / (Dr.) (Net)	-	-	52,242,346 (11,940,048)	837,638 (955,062)	-

* Provision for employee benefits, which are based on actuarial valuation carried out on an overall company basis, is excluded



ACCORD SOFTWARE & SYSTEMS PRIVATE LIMITED

Notes forming part of Accounts for the year ended 31st March 2012

(Amounts in Indian Rupees)

Particulars	As at 31-Mar-2012	As at 31-Mar-2011
13 CIF Value of Imports		
I. Components and spare parts,	79,536,254	21,658,891
II Capital goods,	2,405,792	1,823,050
14 Expenditure in foreign currency		
Travel expenses	9,653,919	19,861,055
Advertisement & Marketing	449,605	2,877,649
Legal Charges	485,823	3,050,171
Professional & Consultancy Charges	11,258,417	10,187,538
License	-	593,346
Salary & Staff welfare	32,409,642	3,203,002
Bank charges	127,020	376,863
Rent	841,686	159,738
Rates and Taxes	466,359	19,621
Others	23,956	234,936
Total	55,716,428	40,563,919

15 Particulars of Production/ Sales:

Global Positioning System		
- Quantity produced and sold	259	496
- Sales Value	138,558,174	69,411,255
Others		
- Quantity produced and sold	1 Set	137
- Sales Value	993,409	63,860,199

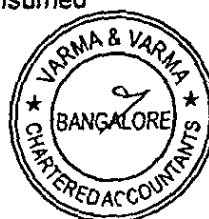
a) There is no opening or closing inventory

b) 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

16 Raw Materials Consumed

Imported	46,033,020	20,367,888
Imported % to total	81.59%	64.28%
Indigenous	10,388,892	11,319,550
Indigenous % to total	18.41%	35.72%
Total	56,421,912	31,687,438
Total %	100.00%	100.00%

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.



ACCORD SOFTWARE & SYSTEMS PRIVATE LIMITED

Notes forming part of Accounts for the year ended 31st March 2012

(Amounts in Indian Rupees)

17 Earnings in Foreign Currency

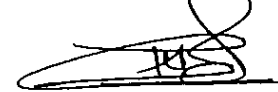
I Export of goods calculated on F O B basis,	27,563,711	20,900,637
II Export of services	295,951,533	293,325,408
II Royalty	-	154,268
III Interest on loan	4,510,514	1,833,000

18 Previous years' figures have been regrouped / reclassified wherever necessary to suit the current years' classification consequent to revision to Schedule VI to the Companies Act

Signature to Notes 1 to 20

As per our separate report of even date attached

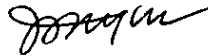
For VARMA & VARMA
Chartered Accountants
FRN 004532S



CHERIAN K BABY
Partner
M No 16043



J M SUNDARESAN
Managing Director



V NARAYANASAMY
Director



V RAVI
Chief Financial Officer
& Company Secretary

Place Bangalore
Date 18.05.2012

Place Bangalore
Date 18.5.2012

