

accelya

ACCELYA KALE SOLUTIONS LIMITED

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STATEMENT OF CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 30 JUNE 2018

(Rs. in Lakhs)

Sr. No.	Particulars	Quarter Ended			Year Ended	
		30 June 2018	31 March 2018	30 June 2017	30 June 2018	30 June 2017
		(Audited Note 3)	(Unaudited)	(Audited Note 3)	(Audited)	(Audited)
I	Revenue from operations	9,936.58	9,326.49	9,183.00	38,142.28	36,739.75
II	Other income	138.05	86.64	191.54	450.11	2,030.98
III	Total Income (I + II)	9,974.67	9,413.33	9,374.54	38,592.39	38,770.73
IV	Expenses:					
	Employee benefits expense	3,207.61	3,437.95	3,332.13	13,054.39	13,016.81
	Finance costs	-	-	-	-	-
	Depreciation and amortisation expense	355.28	348.92	361.88	1,435.19	1,417.55
	Other expenses	3,148.56	2,353.85	2,481.13	9,516.16	8,275.45
	Total expenses (IV)	6,711.45	6,140.72	6,175.14	24,755.76	23,719.81
V	Profit before exceptional items and tax (III - IV)	3,263.22	3,272.61	3,199.40	13,836.63	15,040.92
VI	Exceptional items	-	-	-	-	-
VII	Profit before tax (V - VI)	3,263.22	3,272.61	3,199.40	13,836.63	15,040.92
VIII	Tax expense:					
	(1) Current tax	1,298.62	1,240.03	1,354.86	5,423.45	5,319.52
	(2) Deferred tax (credit)/ charge	(227.11)	(168.33)	(189.42)	(510.72)	196.72
IX	Profit for the period from continuing operations (VII-VIII)	2,151.71	2,200.91	2,043.96	8,917.94	9,724.68
X	Profit from discontinued operations	-	-	-	-	-
XI	Tax expense of discontinued operations	-	-	-	-	-
XII	Profit from discontinued operations (after tax) (X-XI)	-	-	-	-	-
XIII	Profit for the period (IX + XII)	2,151.71	2,200.91	2,043.96	8,917.94	9,724.68
XIV	Other Comprehensive Income					
	(a) Items that will not be reclassified to profit or loss					
	(i) Remeasurements of post-employment benefit obligation	5.35	46.58	(9.25)	47.23	(16.93)
	(ii) Income tax related to items that will not be reclassified to profit or loss	-	-	-	-	-
	(b) Items that will be reclassified to profit or loss					
	(i) Exchange differences on translation of foreign operations	10.44	221.12	128.94	336.25	(393.74)
	(ii) Income tax related to items that will be reclassified to profit or loss	-	-	-	-	-
XV	Total Comprehensive Income for the period (XIII + XIV)	2,207.50	2,468.61	2,163.67	9,301.42	9,301.95
XVI	Paid up Equity Share Capital (Face value of Rs. 10 each)	1,492.69	1,492.69	1,492.69	1,492.69	1,492.69
XVII	Earnings per Equity Share (Face value of Rs. 10 each) (not annualised):					
	(1) Basic	14.68	14.74	13.69	59.74	65.15
	(2) Diluted	14.68	14.74	13.69	59.74	65.15

See accompanying notes to this financial results



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CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES

Sr. No.	Particulars	As at	As at
		30 June 2018	30 June 2017
		(Audited)	(Audited)
I	ASSETS		
1	Non current assets		
	Property, plant and equipment	2,087.58	2,380.22
	Capital work in progress	43.58	64.25
	Goodwill	2,874.92	2,676.99
	Other intangible assets	1,948.81	1,178.83
	Intangible assets under development	-	-
	Financial assets		
	i. Investments	0.60	0.60
	ii. Loans	322.68	405.88
	iii. Other financial assets	137.74	242.32
	Deferred tax assets	504.83	-
	Other non current assets	1,031.20	783.76
	Non-current tax assets (net)	94.18	76.04
		9,045.94	7,808.69
2	Current assets		
	Financial assets		
	i. Investments	3,648.34	4,147.54
	ii. Trade and other receivables	5,587.76	6,039.88
	iii. Loans	111.80	-
	iv. Cash and cash equivalents	2,424.51	2,115.27
	v. Other bank balances	376.30	311.30
	vi. Other financial assets	3,351.90	2,589.02
	Other current assets	956.28	743.83
	Current tax assets (net)	42.96	19.66
		18,486.00	16,366.80
		25,531.94	24,775.49
II	EQUITY AND LIABILITIES		
1	Equity		
	Equity share capital	1,492.69	1,492.69
	Other equity	16,466.30	16,605.70
		17,958.99	18,098.39
2	Non-current liabilities		
	Financial liabilities		
	i. Other financial liabilities	273.51	61.32
	Deferred tax liabilities	-	6.08
	Provisions	376.09	501.49
	Other non-current liabilities	76.84	105.06
		686.44	673.95
3	Current liabilities		
	Financial liabilities		
	i. Trade and other payables	2,175.52	1,725.75
	ii. Other financial liabilities	2,606.69	2,162.55
	Provisions	381.58	448.76
	Current tax liabilities (net)	787.64	726.27
	Other current liabilities	937.08	999.82
		6,888.51	6,003.35
		25,531.94	24,775.49



Notes to the financial results

1

The audited consolidated financial results for the year ended 30 June 2018 were approved by the Board of Directors in its meeting held on 3 August 2018.

First time adoption of Ind AS

Beginning 1 July, 2017, the Company has for the first time adopted Indian Accounting Standards (Ind AS) with a transition date of 1 July, 2016. Accordingly, these financial results have been prepared in compliance with Ind AS as notified by the Ministry of Corporate Affairs and prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular dated 5 July 2016. The impact of transition has been accounted for in opening reserves and the comparative period results have been restated. Accordingly, the figures for corresponding quarter and year ended 30 June 2017 have been restated after incorporating the applicable Ind AS adjustments.

2

The Company has prepared a reconciliation of the net profit for the corresponding period under the previously applicable Generally Accepted Accounting Principles ("previous GAAP") with the total Comprehensive Income as reported in these financial results under Ind AS.

The net profit reconciliation for the quarter and year ended 30 June 2017 is as under:

(Rs. in lakhs)

Particulars	Quarter Ended	Year Ended
	30 June 2017	30 June 2017
	(Audited)	(Audited)
Profit (after tax) as per previous GAAP	2,210.09	9,134.32
Add/ (less): Adjustments for GAAP differences		
Mark to market (loss)/gain on forward contract	(263.53)	941.84
Actuarial loss on employee defined benefit plan recognised in Other Comprehensive Income	9.25	36.99
Impairment of Trade receivables	(2.45)	1.71
Others	(1.98)	1.64
Tax impact - Deferred tax	92.60	(291.82)
Profit (after tax) under Ind AS (A)	2,043.98	9,724.68
Other Comprehensive Income (OCI)		
Re-measurement loss on employee defined benefit plan	(9.25)	(36.99)
Exchange differences on translation of foreign operations	128.94	(383.74)
Total Other Comprehensive Income (OCI) (B)	119.69	(420.73)
Total Comprehensive Income under Ind AS (A + B)	2,163.67	9,303.95

The Company has also prepared a reconciliation of the equity as on 30 June 2017 under the previously applicable Generally Accepted Accounting Principles ("previous GAAP") with the equity as reported in these financial results under Ind AS.

The reconciliation of equity as on 30 June 2017 as previously applicable Indian GAAP to Ind AS is as under:

(Rs. in lakhs)

Particulars	Year Ended
	30 June 2017
	(Audited)
Equity under previous GAAP	18,059.32
Business Combination - Goodwill write off	(1,273.86)
Reversal of FCTR accounted on Goodwill write off	98.79
Mark to market gain on forward contract	1,300.43
Impairment of Trade receivables	1.71
Consolidation of Kale Employee Welfare Trust	384.63
Others	(13.32)
Tax impact - Deferred tax	(545.31)
Equity under Ind AS	16,098.39

3

The figures for the quarter ended 30 June 2018 and 30 June 2017 are the balancing figures between audited figures in respect of the full financial year and the published unaudited year to date figures upto third quarter of the respective financial years. Also, the figures upto the end of the third quarter were only reviewed and not subjected to audit.

4

Based on the "management approach" as defined in Ind AS 108-Operating Segments, the Chief Operating Decision Maker evaluates the Group's performance as a single business segment namely travel and transportation vertical.

5

The Board of Directors has recommended a final dividend of Rs. 32/- per equity share subject to the approval of the shareholders at the ensuing Annual General Meeting.

6

The financial results of the Company on a standalone basis for the quarter and year ended 30 June 2018 are summarised below:

(Rs. in lakhs)

Particulars	Quarter Ended			Year Ended	
	30 June 2018	31 March 2018	30 June 2017	30 June 2018	30 June 2017
	(Audited Note 3)	(Unaudited)	(Audited Note 3)	(Audited)	(Audited)
Revenue from operations	8,786.43	8,881.32	9,310.04	34,393.40	33,140.66
Profit before tax	2,857.52	2,871.24	3,103.42	14,081.70	14,521.49
Profit for the period	1,856.87	1,924.89	1,994.92	9,471.64	9,474.67

Place: Mumbai

Date: 3 August 2018

For Accelya Kale Solutions Limited

Neelika Bhattacharjee

Managing Director

DIN: 01912483

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Chartered Accountants

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Independent Auditor's Report

To the Board of Directors of Accelya Kale Solutions Limited

Report on the Audit of Consolidated Financial Results (prepared as per Ind AS)

We have audited the accompanying consolidated annual financial results of Accelya Kale Solutions Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") for the year ended 30 June 2018, attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). Attention is drawn to the fact that the figures for the quarter ended 30 June 2018 and the corresponding quarter ended in the previous year as reported in these financial results are the balancing figures between audited figures in respect of the full financial year and the published year to date consolidated figures up to the end of the third quarter of the relevant financial year. Also, the figures up to the end of the third quarter had only been reviewed and not subjected to audit.

Management's Responsibility for the Consolidated Financial Results (prepared as per Ind AS)

These Consolidated financial results have been prepared on the basis of the consolidated annual financial statements and reviewed quarterly consolidated financial results upto the end of the third quarter. The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial results that give a true and fair view of the net profit/ loss and other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in the Companies (Indian Accounting Standards) Rules, 2015 as per Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial results by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial results, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

B S R & Co (a partnership firm with
Registration No. BA61223) converted into
B S R & Co. LLP (a Limited Liability Partnership
with LLP Registration No. AAB-8181)
with effect from October 14, 2013

Registered Office:
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Independent Auditor's Report (Continued)

Accelya Kale Solutions Limited

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial results based on our audit of the consolidated annual financial statements. While conducting the audit, we have taken into account the relevant provisions of the Listing Regulations and the accounting and auditing standards.

We conducted our audit of the financial results in accordance with the Standards on Auditing specified under section 143(10) of the Companies Act, 2013. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial results are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial results. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial results, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial results that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made, as well as evaluating the overall presentation of the consolidated financial results.

We are also responsible to conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause Group to cease to continue as a going concern.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial results.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial results:

- (i) include the annual financial results of the following entities:
 - (a) Zero Octa UK Limited
 - (b) Kale Softech, Inc
 - (c) Kale Consultant Employees Welfare Trust



Independent Auditor's Report (Continued)

Accelya Kale Solutions Limited

Opinion (Continued)

- (ii) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- (iii) give a true and fair view of the consolidated net profit and other comprehensive income and other financial information for the year ended 30 June 2018.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No : 101248W/W-100022



Rajiv Shah
Partner

Membership No: 112878

Mumbai
3 August 2018