



ACCEL FRONTLINE

G L O B A L I T S E R V I C E S

19th Annual Report 2013 - 14

Forward looking statement

In this annual report, we have mentioned certain forward looking information to enable investors to comprehend our business model and future prospects and make informed investment decisions. This annual report and other communications from us, oral or written, may include certain forward looking statements that set out certain anticipated results based on managements assumptions and plans. Even though the management believes that they have been prudent in making such assumptions, we cannot guarantee that these forward looking statements will be realised. We undertake no obligation to update forward looking statements. The achievement of results is subject to various risks, known and unknown. We request readers to bear this in mind while reading this report.

BOARD OF DIRECTORS**N R Panicker**

Executive Chairman (w.e.f. May 7, 2014)

Malcolm F Mehta

Executive Director (w.e.f. July 1, 2014)

R Ramaraj

Independent Director

Bin Cheng

Non-Executive Director (w.e.f. August 13, 2014)

Masaaki Miura

Independent Director (w.e.f. August 13, 2014)

Steve Ting Tuan Toon

Non-Executive Director

(Ceased to be a Director w.e.f. August 13, 2014)

Alok Sharma

Independent Director

Sam (S) Santhosh

Independent Director

(Ceased to be a Director w.e.f. August 13, 2014)

CHIEF FINANCE OFFICER**K. R. Chandrasekaran**

(Ceased to be a CFO w.e.f. July 1, 2014)

COMPANY SECRETARY**Sweena Nair****STATUTORY AUDITORS****K S Aiyar & Co.,**

Chartered Accountants

#54/2, Paulwells Road,

St. Thomas Mount, Chennai - 600 016

INTERNAL AUDITORS**Grant Thornton**

Arihant Nitco Park, 6th floor,

No. 90, Dr.Radhakrishnan Salai,

Mylapore, Chennai - 600 004, India.

SOLICITORS'**S Ramasubramaniam & Associates**

6/1, Boshop Wallers Avenue (West)

Mylapore, Chennai - 600 004.

NOMINATION AND REMUNERATION COMMITTEE

Masaaki Miura

Bin Cheng

R Ramaraj

AUDIT COMMITTEE

R Ramaraj

Alok Sharma

Bin Cheng

STAKE HOLDERS RELATIONSHIP COMMITTEE

Masaaki Miura

Malcolm F Mehta

R Ramaraj

BANKERS

State Bank of India

IDBI Bank Limited

ICICI Bank Limited

Axis Bank Limited

Sumitomo Mitsui Banking Corporation

REGISTRAR & TRANSFER AGENTS

Link Intime India Private Limited

C-13, Pannalal Silk Mills Compound,

LBS Marg, Bandup West,

Mumbai - 400 078

Tel. : +91.22.25963838

Email : mumbai@linkintime.co.in

REGISTERED OFFICE

75, Nelson Manickam Road

Aminjikarai,

Chennai - 600 029.

Tel : +91.44.4225 2000

Fax : +91.44.2374 1271

Email : info@accelfrontline.in

Website : www.accelfrontline.in

CIN : L30006TN1995PLC031736

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Directors' Report

To

The Members

The Directors are pleased to present the 19th annual report along with the audited financial statements for the financial year ended March 31, 2014.

Financial results

INR in lakhs

	Consolidated		Standalone	
	2014	2013	2014	2013
Sales, Services & other income	42650.46	40,137.95	29914.11	32921.26
Earnings before interest, tax, depreciation and amortization (EBITDA)	4066..84	3,325.05	3594.12	3,345.93
Finance costs	2441.29	1,995.07	2327.49	1953.83
Depreciation and amortization expense	1106.53	1,067.77	971.69	968.60
Provision for tax (Net)	69.81	143.54	50.04	143.54
Profit after tax	449.21	118.67	244.78	279.96
Balance brought forward from previous year	1625.69	1,507.02	1329.15	1,049.17
Amount available for appropriation	2074.90	1,625.69	1573.93	1,329.15
Balance carried to Balance Sheet	2074.90	1625.59	1573.93	1,329.15

Consolidation

The domestic economy continued to languish recording a below 5 % growth for the second consequent year, during FY 14, The constant changes in domestic and global economic landscape continues to create uncertainty in the business environment .The expected recovery of the Indian economy during the second half did not materialize due to adverse political climate prevailed in the country,. However the exchange rates showed some stability during the second half bringing some comfort to our operations. The prospects of growth in the indian economy continues to be challenged due to various factors like depreciating rupee, inflation, current account deficit etc. The company is constantly monitoring the situation and taking various steps for risk mitigation.

On a standalone basis, the revenues from operations and other income stood at INR 29914 lakhs , representing a decline of 9% over previous year. However the EBITDA margins improved as compared to the previous year. Earnings before interest, tax, depreciation and amortization (EBITDA) at INR 3594 lakhs were higher by 7% over previous year.

On a consolidated basis, the revenues from operations and other income stood at INR 42,650 lakhs, representing a growth of 6% over previous year. Earnings before interest, tax, depreciation and amortization (EBITDA) at INR 4067 lakhs were higher by 22% over previous year, due to improvement in the EBITDA margins The decline in the standalone revenues is attributable to planned gradual reduction in system integration business, with lower margins compared to other IT service businesses. However this reduction in revenues was offset by growth in the overseas subsidiary operations and software services and which resulted in better EBITDA margins in FY14 compared to FY13.

Share Capital

During the FY2014, the company allotted 55,00,000 Equity shares on 10th January 2014 by way of preferential allotment to M/s CAC Holdings Corporation.(“ CAC”) (earlier CAC Corporation) as a part of the shareholders agreement dated 9th December 2013 entered

into between the company, its promoters and CAC wherein CAC had agreed to acquire 51% stake in the company. As on 31st March 2014 the paid up capital of the company stood at Rs. 29,76,18,730/-consisting of 2,97,61,873 Equity shares of face value Rs. 10/- each fully paid-up.

CAC have acquired 51,41,175 Equity Shares (i.e. 17.27%) of the company by way of a mandatory open offer. They have also acquired 75,00,000 Equity shares from the existing promoters by way of an Inter-se sale as part of the shareholders and share purchase agreement dated 9th December 2013. With this acquisition, CAC now holds 1,81,41,175 Equity Shares, constituting 60.95% of the Equity Share Capital of the company and have become the holding company. The total promoter holding is 2,64,93,951 Equity Shares (89.02%) and the public shareholding is 32,67,922 Equity Shares (10.98%) in the company.

Since the public shareholding has fallen below the stipulated minimum requirement of 25%, the company is not compliant with Rule 19A of securities contract Regulation(Rules) 1957 (SCRR) and Clause 40A of the Listing Agreement which stipulates a minimum public shareholding of 25%.

The company is taking necessary steps to reduce the promoter shareholding so as to achieve the minimum public shareholding of 25%. As per present regulations this can be achieved on or before 31 March 2015.

Human resource development

Accel employs over 3059 full time employees with diverse background. Whose collective efforts have enabled Accel to achieve its organizational goals and set the base right for the next phase of growth.

Accel has restructured its work force into various businesses to ensure that every business is operated and supported equally. The human resource policies have evolved to stay relevant to the changing economic and business environment and enhance organizational agility.

The company has a matured talent management process and environment where performance is rewarded and opportunities are provided for career growth and development. Focused initiatives towards work life balance and safety of employees have helped the company in gaining confidence level of the employees and bring down the attrition levels.

Quality standards

Accel believes in sustained commitment to highest levels of quality to enhance customer satisfaction. During the year the company continued to invest in technologies, infrastructure and processes in order to keep our quality management systems updated.

The Company achieved certifications for:

- ISO 9001:2008 (Quality Management)
- ISO 27001:2005 (Security Management)
- ISO 20000-1:2005
- CMMI Level 3

An employee portal exists for knowledge management and sharing useful information within the Company. Regular knowledge and skill upgradation training programs are conducted by internal as well as external knowledge management experts.

These quality driven processes help in supporting Accel's global delivery model

In order to achieve highest levels of quality and robust information security practices, the company will endeavor to achieve enterprise-wide CMMI Level 5 (for Development) in the near future

Finance, Accounts and Internal control systems

The company has adequate internal control procedures commensurate with the size and nature of its operations. The internal control systems were further strengthened by internal audit carried by an independent firm of Chartered Accountants and a periodical review by the management. The Audit Committee of the board addresses issues raised by internal auditors and the statutory auditors.

The financial objective of the company is to bring in efficiencies of operations at all levels so as to maximize return on capital employed and to generate sufficient cash profits to fund on-going expansions and to meet the growth objectives.

The audit committee and the Board periodically review performance parameters related to financial performance of the company to ensure smooth implementation of the internal control systems and efficient management of the various resources. The audit committee conducts periodic reviews with the management, internal auditor and the statutory auditor. There is an on-going cost monitoring program to control various expenses and the Board reviews the variance analysis.

Report of Corporate Governance and Auditors Certificate on Corporate Governance

A report on Corporate Governance together with auditor's certificate on compliance with the conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement is provided as Annexure III to this report.

The certificate issued by the auditors of the company on corporate governance is given as Annexure IV to this report.

Management Discussion and Analysis

The Management Discussion and Analysis and various initiatives and future prospects of the company are enclosed, separately as Annexure II to this report.

Director's responsibility statement

The directors' responsibility statement pursuant to sub section 2 AA of Section 217 of the Companies Act 1956 is given as Annexure V to this report.

CEO/CFO Certification

The Executive Chairman and the Chief Finance Officer have submitted a certificate to the Board regarding the financial statements and other matters as required under Clause 49 (V) of the Listing Agreement. This is provided as Annexure VI to this report

Financial Statements of Subsidiary companies:-

The Company has 8 subsidiaries as on March 31, 2014. There has been no material change in the nature of the business of the subsidiaries.

As required under the Listing Agreement entered into with the Stock Exchanges, a consolidated financial statement of the Company and all its subsidiaries is attached. The consolidated financial statement has been prepared in accordance with the relevant accounting standards as prescribed Under Section 211 (3C) of the Act. The consolidated financial statement discloses the assets, liabilities, income, expenses and other details of the Company and its subsidiaries.

Pursuant to the provisions of Section 212(8) of the Act, the Ministry of Corporate Affairs vide its circular dated February 8, 2011 has granted general exemption from attaching the Balance Sheet, Statement of Profit & Loss and other documents of the subsidiary companies with the Balance Sheet of the Company. A statement containing brief financial details of the Company's subsidiaries for the financial year ended March 31, 2014 is included as an Annexure VIII to this report. The annual accounts of these subsidiaries and the related information will be made available to any member of the company/its subsidiaries seeking such information and are available for inspection by any member of the company/subsidiaries at the Registered Office of the Company. The annual accounts of the said subsidiaries will also be available for inspection, at the Head Offices/ Registered Offices of the respective subsidiary companies.

Dividend

The Directors have not recommended dividend for the year ended March 31, 2014 to conserve resources and to augment the long term working capital for future growth.

Directors

Mr. A.P.Parigi having DIN 00087586 resigned from the Board with effect from 7th May 2014. The Board places on record its deep appreciation and gratitude for his guidance and contribution to the company during his tenure.

Mr. Steve Ting Tuan Toon having DIN 00114004 resigned from the board with effect from 13th August 2014. The Board places on record its deep appreciation and gratitude for his guidance and contribution to the company during his long tenure.

Mr. Bin Cheng (Din No. 06913491) was appointed as a Director to fill a causal vacancy with effect from 13th August 2014, caused due to the resignation of Mr. Steve Ting Tuan Toon. Pursuant to section 161(4) of the companies Act 2013 Mr. Bin Cheng will hold office till such time the director in whose place he is appointed would have held office.

Mr. Steve Ting Tuan Toon who has resigned on 13th August 2014, would have retired by rotation at this Annual General Meeting. Mr. Bin cheng now retires by rotation and has offered himself for appointment.

Mr. Malcolm Farrokh Mehta having DIN 03277490 was appointed as an Additional Director of the Company with effect from 7th May 2014 and he was further appointed as a wholetime director designated as Executive Director with effect from 1st July 2014 to hold office till 30th June 2017. His appointment is being recommended for confirmation in the ensuing Annual General Meeting. The necessary resolutions are being placed before the shareholders for approval.

Mr. Sam (S) Santhosh Independent director has resigned from the board with effect from 13th August 2014. The causal vacancy arisen on account of his resignation is not being filled. The Board places on record its deep appreciation and gratitude for his guidance and contribution to the company during his long tenure.

Mr. Masaaki Miura having Din no. 06915575 was appointed as an Additional Independent director with effect from 13th August 2014. Mr. Miura possess the qualifications and skills relevant for the company's business. The company has received declarations from Mr. Miura that he meets with the criteria of independence as prescribed both under sub-section (6) of section 149 of the Act and under clause 49 of the Listing agreement. The necessary resolution is being placed before the shareholders for approval.

Auditors

M/s Walker Chandio & Co. LLP, Chartered Accountants, Chennai bearing ICAI Registration No. 001076N are proposed to be appointed as Auditors of the Company from the conclusion of the ensuing Annual General Meeting till the conclusion of the twenty fourth Annual General Meeting of the Company held thereafter (a period of five years), subject to ratification of the appointment by the members at every AGM held after the ensuing AGM.

As required under Section 139 of the Companies Act, 2013, the Company has obtained a written consent from M/s Walker Chandio & Co. LLP, to such appointment and also a certificate to the effect that their appointment, if made, would be in accordance with Section 139(1) of the Companies Act, 2013 and the rules made there under, as may be applicable.

The auditors M/s K S Aiyar & Co, Chartered Accountants have been the Statutory auditors of the company since 2005-2006. As per the Section 139 (2) of the Companies Act 2013 an audit firm can serve as auditors of the company for not more than two terms of five consecutive years. AS the Auditors have completed one term of five consecutive years the company felt the need to rotate the auditor.

Internal Auditors

M/s K S Aiyar and Co the erstwhile statutory Auditors of the company will be the Internal Auditor of the company for the financial year 2014-2015. w.e.f. the conclusion of this AGM.

Credit Rating

Secretarial Standards of the ICSI Secretarial standards issued by the Institute of Company secretaries of India from time to time are currently recommendatory in nature. The company is, however, complying with most of the standards.

Internal complaints Committee

With regard to the Supreme Court Judgment and guidelines issued in Vishaka case – Gazette publication dated 22nd April 2013, to provide for the effective enforcement of the basic human right of gender equality and guarantee against sexual harassment and abuse, more particularly against sexual harassment at work places, the company has formed a policy for prevention, prohibition and redressal of Sexual harassment of women at workplace. The company has also constituted an Internal Complaints Committee: (ICC) and Enquiry committee to redress such complaints.

Particulars of Employees

The particulars regarding employees of the company pursuant to Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 are given as annexure VII to the Director's Report. In terms of sec 219 (1) (b) (iv) of the Companies Act 1956 the Directors Report (excluding annexure VII) is being sent to all the shareholders of the company. Any shareholder interested in obtaining a copy of the said annexure may write to the company secretary at the registered office of the company.

Conservation of energy, technology absorption, foreign exchange earnings and outgo

The particulars as prescribed under Section 217(1)(e) of the Act, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, are set out in an Annexure to this report.

Acknowledgement

The directors would like to express their grateful appreciation for the assistance and co- operation received from central and state governments, financial institutions, banks, government authorities, customers, suppliers and investors during the year under review. The directors wish to place on record their deep sense of appreciation, of the dedicated and sincere services rendered by the employees of the company for its success.

For and on behalf of the Board

Chennai,
May 7, 2014

N.R. Panicker
Executive Chairman

Annexure I to the Director's Report

Conservation of energy

The company's operations involve low energy consumption to run its various offices and therefore the scope of energy conservation is limited. The company has means and process to constantly monitor the usage of power and optimize the same to the extent possible. Accel is currently in the process of consolidating its facilities, which will help in reduction of energy consumption without any business

implications. The company is in the process of evaluating means of utilizing alternate energy sources for betterment of environment and reduce the consumption of conventional energy

Accel has a policy to replace old assets to upgrade to the changing technology and keeping a check on the energy consumption.

Technology absorption, adaptation and innovation

The company is in high technology business and is constantly upgrading and adapting latest technologies to meet the technology challenges.

Research and development (R&D)

The Company has been taking up R&D initiatives to promote innovation and new product development. These research initiatives are primarily in the field of Software, Systems and Application with the objective of coming up with new products, solutions and technology to our customers. and in the platform developed for warranty management business.

The company will continue to invest in these and other areas of research interests with sufficient funds allocated to this.

The company is in the process of getting registered with Department of Scientific & Industrial Research (DSIR).

Foreign Exchange earnings and outgo

The complete details regarding foreign exchange earnings and outgo are being mentioned in the notes to the accounts.

Annexure II to the Director's Report

Management Discussion and Analysis

The IT industry scenario

The IT industry in India continues to go through the slow growth phase. The IT services sector's contribution to the domestic GDP is estimated to be around 8% and the sector is estimated to employ around 3 mn people. According to NASSCOM, India continues to be a premier destination for global sourcing of IT services. and the share is expected to be over 50%. The IT services market is expected to grow by 12% during the next financial year, driven by exports. The domestic market also is expected to grow around 9-12% during the current financial year. According to NASSCOM the combined potential for Social, Mobile, Analytics and Cloud based technologies is estimated to be between US \$ 70 – US\$ 200 billions, over the next three years.

In the domestic market Government continues to be the largest IT consumer. The overall business environment in the country was not very conducive to sustain growth, during the previous financial year. It is widely anticipated to improve during the current financial year on account of changed political scenario.

Business overview

Accel is an end-to-end Information Technology services provider specializing in IT Infrastructure Management, System Integration, IT software services and warranty management services.

Accel has a strong PAN India presence in the domestic IT infrastructure management market and serves a number of leading MNCs in India and Indian corporate houses. With its extensive presence and quality of delivery capability, Accel has been successful in retaining most of its customers

Our revenues were largely contributed by IT infrastructure and system integration services, which are driven by domestic IT market. However system integration business in the domestic market has become highly competitive with eroding margins. The company will continue to focus on IT infrastructure management and managed services in the domestic market, where we have a large long standing customer base across India with constant annuity revenues.

The company over the last three years has emerged as a niche player in the software service market with a focus on embedded systems and solutions, outsourced product development, cloud and mobility solutions, remote infrastructure management (RIM), etc for the international markets. The Technology services focus on outsourced product development, testing, sustenance and re-engineering services in consumer products, networking and automotive domain. The customers are spread across US, Japan, UK, Australia and Israel. Enterprise applications services focus on Banking and manufacturing with support for core banking and other enterprise applications

We are also a leading provider of warranty management services for the India market, where our scalable time tested model has been helping us to win new customers and create a highly successful business unit in the company. We provide warranty fulfillment, test and repair services and help desk support services on a PAN India basis for more than 30 International product vendors

Our wholly owned subsidiary in UAE (Accel Frontline JLT) has been growing strong in enterprise IT solutions space and has won several corporate customers in the last five years. We continue to focus on this market.

During the year under review, our existing subsidiary company (Accel Systems and Technologies) in Singapore stabilised its operations in IT security services in Singapore.. This business unit is expected to grow vertically in the coming year and make significant contribution to Company's revenue and margins.

Strategy

Accel's strategy to achieve and strengthen its long term objectives is derived from the following:

1. Presence across IT value chain
2. Established player and PAN India presence
3. Quality and long standing customer base
4. Delivery model
5. Non- linear business model

Presence across IT value chain

Accel has over the years invested in building multiple service offerings. With this, Accel is uniquely positioned to provide end to end solutions at optimum costs to customers. The graph below replicates Accel's service portfolio



Established player and PAN India presence

Accel is an established IT player and has a PAN India presence. This along with a strong brand enables us to launch a new product or service across India in a short span. Accel has offices in 5 countries outside of India viz US, Japan, UK, Dubai and Singapore

Quality and long standing Customer base

Building strong and long lasting relationship with customers is critical to every company's success. Accel has strong relationships with a number of Fortune 500 customers and leading corporate houses in India and overseas. Accel has been able to retain these key customers through process and service excellence.

Being aligned with customers and their requirements has helped us in retaining customers and penetrate new customers.

Delivery model

Accels' delivery model is to provide quality services at low cost of ownership. The company's offshore delivery centre's are strategically located at Trivandrum, Cochin, Chennai and Noida in India.

The hybrid delivery model enables Accel to provide end to end solutions across multiple product segments in the warranty management space.

The domestic IT service operations span across 8 regional offices and over 100+ direct service locations across India in a hub-and-spoke model to help deliver our services on a pan India basis.

The company has strategic partnerships with international technology providers such as Oracle, IBM and Microsoft to deliver solutions and services that are leading edge and industry oriented.

Non- linear business model

While the Company continues to make significant progress in the traditional IT services offerings, it has been pursuing non-linear growth opportunities, which contribute revenue growth without commensurate growth in headcount. The following contribute to Accel's non-linear business model

Products – Accel's products for banking (GBM) is driving non-linear growth through license revenue. These include State Tax Module, New Pension Scheme, Centralized Pension Processing Centre, Centralized EXIM, Ministry Accounts, State Treasury and Post Office catering to Government business carried out by banks.

Accel is also developing embedded products for automotive domain targeted at customers in the Europe

Platform / frameworks - Accel has its own, time tested, web based CRM and logistics management system for its warranty business. It's a fully integrated technology framework developed for IT and telecom product vendors, which helps delivering quality services. These help in optimizing costs for customers.

We also have a range of multi function Kiosk's developed in-house which are used for kiosk based payment solutions

Research and Development

Accel will continue to focus on developing new products and solutions to help customers achieve their business objectives in an optimum manner while continuing to improve the quality and efficiency of service delivery.

Summary of development efforts spent during 2013-14 is given below:

Rs. in Lacs	
Amount in INR lakhs	2013-14
Banking related products	225.01
Other products	182.17
Total	407.18

Accel will continue to invest in the R & D of various technologies and solutions to stay live with the technology and to meet customer requirements.

Infrastructure

Our registered and corporate office is located at Chennai, India. The company occupies approximately 200,000 square feet of office space across various locations in India. All the major offices and software development centre's are well equipped with all necessary infrastructure facilities

The company is in the process of consolidating its infrastructure facilities to optimize costs, at the same time without impacting quality of delivery. This consolidation is expected to bring in cost efficiencies in the system next year.

Human Resource management – 'key to our success'

As on 31st March 2014, the company had multicultural work force drawn from different disciplines and domain backgrounds. The workforce is spread across 6 countries including India. The human resources strategy enabled the Company to attract,

integrate, develop and retain the best talent required for driving business growth. The sustained strategic focus to enhance employee capability, improve efficiency and groom future leaders

We have an established employee recruitment and retention policy, which involves identifying right talents and providing them with appropriate training. The strategy is to fulfill business requirements, maintain high utilization and keep the costs at optimum levels. In the course of achieving these, management is coming up with various policy level initiatives to run the business efficiently at optimum utilization levels, which is expected to yield favorable results in the next financial year.

The Company has created a performance driven environment where performance is recognized and employees are motivated to realize their potential. Management connects with employees on a regular basis and being transparent with the employees has immensely helped in motivating the employees and to realize their full potential.

Accel has its own learning and development programmes to enhance the skills and competencies of the employees. These include leadership development programs to develop business and people competencies. These employees are nurtured to build the leadership capability. The trainings include internal and external trainings

Risk Management

Some of the key business risks faced by the company and plans to mitigate the same is given below:

Key Risk	Impact on Accel	Mitigation plan
Business model	Increased trends in customers moving towards total IT outsourcing deals as a single window solution which includes tech refresh and adaptation of new age technologies. Large solution providers are better positioned to take advantage of this phenomenon	Planned investment in emerging enterprise solutions, mobility and cloud services. Updating existing products and developing new solutions
Global economic slow down	Economic slowdown in key markets like US and Europe has lead to uncertainties in offshoring opportunities	Despite slowdown, there is good opportunity in these markets for high value add services like embedded solutions, outsourced product development, etc., which will yield cost optimization for the customers Focusing on other emerging markets, which are growing at a faster pace
Dependence on domestic system integration and services business	As Accel is downsizing the hardware related IT system integration business, there is a risk of losing some of the IT services opportunities in the domestic market	Accel plans to stabilize the IT system integration business at an optimum level in order to retain the service market share. The focus will be to manage costs and improve margins
Cost pressure	The increase in key costs like employee costs, infrastructure costs and other operational overhead costs are creating pressure on margins	The operations have been decentralized with every service units being run as a separate business to have greater control on costs and profitability. Core focus to improve utilization and productivity of employees Increase in non-linear business which will not have a direct impact on costs
Supply chain risks	Employees are key assets to the company and the company is exposed to loss of talent. Inability to attract talent could have an impact on delivery	Mature HR processes, providing a competitive environment and opportunities for growth will result in high employee satisfaction and talent retention Learning and development by way of trainings will be key to keep the employees up to date on emerging technologies and meet the changing market and customer demands Improving brand image will be critical in this competitive market
Forex exposure	The company is susceptible to volatility in currencies resulting in transaction exposures	Larger part of costs are incurred in local currency resulting in a natural hedge Currency hedging policies are in place, which are reviewed on a regular basis
High leverage	Accel has a high debt equity ratio with high financing costs. This could impact further borrowing also impact the operations	With a clear plan in place to invest only in high profitable business, control costs and improve collection of receivables , the debt pressure is expected to ease out