AXISCADES UK Limited
Financial Statements for the year ended March 31, 2021

Chhapolika and Company
Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

To the Members of M/s. AXISCADES UK LIMITED

Report on the Special Purpose Financial Statements

Opinion

We have audited the accompanying special purpose financial statements of M/s. AXISCADES UK LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and summary of significant accounting policies and other explanatory information (hereinafter referred to as "the special purpose financial statements).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid special purpose financial statements give a true and fair view in conformity with the basis of preparation referred to in Note 2 (a) of the special purpose financials statements of the state of affairs of the Company as at March 31, 2021, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the special purpose financial statements in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India (ICAI). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Special purpose Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the special purpose financial statements and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the special purpose financial statements

Responsibility of Management for the Financial Statements

The Company's Board of Directors are responsible for the preparation of these special purpose financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the basis described in Note 2 (a) of the special purpose financial statement.

This responsibility also includes maintenance of adequate accounting records for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the special purpose financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the special purpose financial statements, the Company's Board of Directors are responsible for assessing the Company's ability 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 Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the special purpose financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these special purpose financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the special purpose financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the company's internal control
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements 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 the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the special purpose financial statements, including the disclosures, and whether the special purpose financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the special purpose financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the special purpose financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the special purpose financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other matter

The financial statements of the Company for the year ended March 31, 2020, included in these special purpose financial statements, have been audited by the predecessor auditor who expressed an unqualified opinion on those statements on May 29, 2020.

Basis of Accounting

We draw attention to Note 2 (a) to the special purpose financial statements, which describes the basis of accounting. As a result, the special purpose financial statements may not be suitable for another purpose.

Restriction on Use and distribution

Our report is intended solely for the use of Company's management for the above purpose and should not be distributed to or used by any other parties.

For **Chhapolika and Company**
Chartered Accountants
ICAI Firm Registration Number: 030728N

Ankur Chhapolika

per Ankur Chhapolika
Partner
Membership Number: 224277
UDIN: 21224277AAAAAQ2374
Place of Signature: Bengaluru
Date: May 17, 2021

AXISCADES UK Limited

Balance Sheet as at 31 March 2021

All amounts In GBP

	Note	As at 31 March 2021	As at 31 March 2020
ASSETS			
Non-current assets			
Property, plant and equipment	3	11,978	7,476
Financial assets			
Non-current tax asset, net	4	92,115	28,330
		1,04,093	**35,806**
Current assets			
Financial assets			
Trade receivables	5	5,52,656	4,41,764
Cash and cash equivalents	6	53,301	59,831
Other than Cash and cash equivalents	7	18	18
Loans and Advances	8	27,205	8,250
Other financial assets	9	1,58,906	1,58,126
Other current assets	10	31,007	36,315
		8,23,093	**7,04,304**
TOTAL ASSETS		**9,27,185**	**7,40,110**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	11	5,75,476	5,75,476
Other equity	12	(2,33,170)	(3,15,934)
		3,42,306	**2,59,542**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	13	50,000	-
		50,000	-
Current liabilities			
Financial liabilities			
Borrowings	13	2,49,110	3,01,605
Trade payables	14	1,82,329	1,31,014
Other financial liabilities	15	1,03,441	47,950
		5,34,879	**4,80,569**
TOTAL LIABILITIES		**9,27,185**	**7,40,110**

Summary of significant accounting policies 2

The Accompaning notes are intergal Part of Standalone Ind AS financial statements

As per our report of even date

Chhapolika and Company
Chartered Accountants
ICAI Firm Registration Number: 030728N

For and on behalf of the Board of Directors of AXISCADES UK Limited

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Ankur Chhapolika
Partner
Membership No: 224277
Ankur Chhapolika

Place: Bengaluru
Date :

Mitesh Yadav
Director
MYadav

Place: Bengaluru
Date :

Ajay Sarin
Director
Ajay Sarin

Place: Bengaluru
Date : 10/6/21

AXISCADES UK Limited
Statement of Profit and Loss for the year ended 31 March 2021

(Amount in GBP)

	NOTE	Year ended 31 March 2021	Year ended 31 March 2020
INCOME			
Revenue from operations	16	15,38,731	15,97,897
Other Income	17	1,19,345	34,594
TOTAL INCOME		**16,58,076**	**16,32,492**
EXPENSES			
Employee benefits expense	18	6,82,352	8,61,095
Direct Project Expenses	19	6,65,640	5,30,386
Other expenses	19	1,71,384	2,59,985
Depreciation and amortisation expense	20	3,924	2,076
Finance costs	21	11,115	9,788
TOTAL EXPENSES		**15,34,415**	**16,63,330**
LOSS BEFORE TAX		**1,23,662**	**(30,838)**
Tax expense			
- Current tax		22,043	-
- Deferred tax (credit)/ charge		(827)	-
LOSS FOR THE YEAR		**1,02,447**	**(30,838)**
Other comprehensive income		-	-
Total comprehensive income		**1,02,447**	**(30,838)**
Loss per share in ₹	22		
Basic and diluted		0.18	(0.05)
Summary of significant accounting policies	2		

The Accompaning notes are intergal Part of Standalone Ind AS financial statements

As per our report of even date

Chhapolika and Company
Chartered Accountants
ICAI Firm Registration Number: 030728N

Ankur Chhapolika Ankur Chhapolika
Partner
Membership No: 224277

Place: Bengaluru
Date :

For and on behalf of the Board of Directors of AXISCADES UK Limited.

Mitesh Yadav MYadav
Director

Place: Bengaluru
Date :

Ajay Sarin
Director

Place: Bengaluru
Date :

AXISCADES UK Limited

Statement of Cash Flows for the year ended 31 March 2021

(Amount In GBP)

	As at 31 March 2021	As at 31 March 2020
Cash flows from operating activities		
Profit/ (Loss) before taxation	**1,23,662**	**(30,838)**
Adjustment for :		
Depreciation and amortisation expense	3,924	2,076
Interest expense	11,115	9,788
Interest income	-	-
Provision no longer required written back	-	-
Operating profit before working capital changes	**1,38,701**	**(18,975)**
Decrease/ (Increase) in loans and advances	-	-
Decrease/ (Increase) in Trade receivables	(1,10,892)	16,304
Decrease/ (Increase) in loans and advances	(18,955)	-
Decrease/ (Increase) in other Financial Assets	(64,565)	(88,835)
Decrease/ (Increase) in other Current Assets	5,308	3,818
Increase/ (Decrease) in trade payables	51,323	57,987
Increase/ (Decrease) in other Financial liabilities	55,491	(37,055)
Increase/ (Decrease) in other current liabilities	(19,690)	-
Cash generated from operations	**36,721**	**(66,755)**
Refund received/ (tax paid)	(21,216)	-
Net cash generated from operating activities	**15,505**	**(66,755)**
Cash flows from investing activities		
Purchase of fixed assets	(8,426)	**(8,243)**
Net cash used in investing activities	**(8,426)**	**(8,243)**
Cash flows from financing activities		
Proceeds from long term borrowing	50,000	
Inter-corporate deposit received from related party	(52,495)	68,605
Interest paid	(11,115)	(9,788)
Net cash used in financing activities	**(13,611)**	**58,817**
Net (decrease)/ Increase in cash and cash equivalents	(6,531)	(16,181)
Cash and cash equivalents at beginning of the period	59,831	76,012
Cash and cash equivalents at the end of the period	**53,300**	**59,831**

Summary of significant accounting policies 2

The Accompaning notes are intergal Part of Standalone Ind AS financial statements

As per our report of even date

Chhapolika and Company
Chartered Accountants
ICAI Firm Registration Number: 030728N

Ankur Chhapolika

Ankur Chhapolika
Partner
Membership No: 224277

Place: Bengaluru
Date :

For and on behalf of the Board of Directors of
AXISCADES UK Limited

Mitesh Yadav
Director

Place: Bengaluru
Date :

Ajay Sarin
Director

Place: Bengaluru
Date :

(Amount In GBP)

1. General Information:
AXISCADES UK Limited ('the Company'), operates in the business of Engineering Design Services. The Registered Office is located in The Pump House 15, Narborough Wood Park, Enderby, Leicester LE19 4XT, United Kingdom.

2. Summary of significant accounting policies

a) Basis of accounting and preparation
These special purpose financial statements are prepared for inclusion in the annual report of the Holding Company AXISCADES Technologies Limited under the requirements of section 129 (3) of the Companies Act 2013.

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified).

The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operate (i.e. the "functional currency"). The functional currency of the Company is GBP and the financial statements are also presented in GBP. All amounts included in the financial statements are reported in GBP, unless otherwise stated. Accounting policies have been applied consistently to all periods presented in these financial statements except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

b) Use of estimates
The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The Company bases its estimates and assumptions on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Significant management judgements
The following are significant management judgements in applying the accounting policies of the Company that have the most significant effect on the financial statements.

b) Use of estimates (Cont'd)

Useful lives of depreciable / amortisable assets
Management reviews its estimate of the useful lives of depreciable / amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain items of property, plant and equipment.

Fair value measurements
Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

c) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:
- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:
- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has evaluated and considered its operating cycle as 12 months.

Deferred tax assets/ liabilities are classified as non-current assets/ liabilities.

d) Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalised until the property, plant and equipment are ready for use, as intended by management.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'. Subsequent expenditures relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably.

The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognised in the Statement of Profit and Loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

d) Property, plant and equipment (cont'd)

The Company depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The estimated useful lives of assets are as follows:

	Depreciation Rate
Computers	33.33%
Office equipment's	20.00%
Furniture and fixtures	14.29%
Softwares	20.00% - 33.33%
Leasehold improvements	Period of lease

The Company has evaluated the applicability of component accounting as prescribed under Ind AS 16 and Schedule II of the Companies Act, 2013, the management has not identified any significant component having different useful lives. Schedule II requires the Company to identify and depreciate significant components with different useful lives separately.

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

Depreciation/amortisation is charged on a proportionate basis for all the assets purchased and sold during the year. Fixed assets individually costing less than GBP 100 are fully depreciated/ amortised in the year of purchase.

f) Impairment of property, plant and equipment

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired, based on internal or external factors. If any such indication exists, the Company estimates the recoverable amount of the asset or the cash generating unit. If such recoverable amount of the asset or cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognised are accordingly reversed in the Statement of Profit and Loss.

g) Revenue recognition

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The specific recognition criteria described below must also be met before revenue is recognized.

Sale of services
The Company/Group derives its revenues primarily from engineering design services. Service income comprises of income from time and material contracts and fixed-price contracts. Revenue on time-and-material contracts are recognized as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognized as unbilled revenue. Revenue from fixed-price, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage-of-completion method.

Revenues in excess of invoicing are classified as contract assets (also referred as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (also referred as unearned revenues).

Contract modification
Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the goods/services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Goods/services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if the additional goods/services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group/Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

h) Employee benefits

Expenses and liabilities in respect of employee benefits are recorded in accordance with Ind AS 19, Employee Benefits.

Defined contribution plan
The Company contributes to social security charges for its employees. The plans are defined contribution plan and contributions paid or payable is recognised as an expense in these periods in which the employee renders services.

Short-term employee benefits
Short-term employee benefits comprise of employee costs such as salaries, bonus etc. is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee

(Amount In GBP)

k) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

l) Investments in subsidiaries

The Company's investment in equity instruments in subsidiaries are accounted for at cost. Where the carrying amount of an investment in greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the Statement of Profit and Loss. On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Profit and Loss.

n) Provisions and contingencies

Provisions
A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities
A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or it cannot be measured with sufficient reliability. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

Contingent assets
Contingent assets are neither recognised nor disclosed. However, when realisation of income is virtually certain, related asset is recognised.

Onerous contracts
Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

o) Financial instruments

Financial assets

Initial recognition and measurement
All financial assets are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial asset is also adjusted.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:
i. Debt instruments at amortised cost;
ii. Debt instruments at fair value through other comprehensive income (FVTOCI);
iii. Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL); and
iv. Equity investments.

i. Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:
a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables

ii. Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:
a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets; and
b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of profit & loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of profit & loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method

iii. Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of profit & loss.

iv. Equity investments

All equity investments in scope of Ind AS 109 Financial Instruments, are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 Business Combinations, applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by- instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of profit & loss.

De-recognition of financial assets

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

a. The rights to receive cash flows from the asset have expired, or
b. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (i) the Company has transferred substantially all the risks and rewards of the asset, or (ii) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Financial liabilities

Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement
The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss
Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109 Financial Instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.
Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings
This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings.

Financial guarantee contracts
Financial guarantee contracts are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified party fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of expected loss allowance determined as per impairment requirements of Ind AS 109 Financial Instruments and the amount recognised less cumulative amortisation.

Derecognition of financial liabilities
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Offsetting of financial instruments
Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

p) Impairment of financial assets

Other financial assets
For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition and if credit risk has increased significantly, impairment loss is provided.

q) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

r) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

(Amount In GBP)

s) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Company is engaged in the engineering design service, which constitutes its single reportable segment.

t) Earnings/ (Loss) per Share (EPS)

Basic EPS are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company (after adjusting for interest on the convertible preference shares, if any) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

u) Standards issued but not yet effective

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows' and Ind AS 102, 'Share-based payment.' These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of cash flows' and IFRS 2, 'Share-based payment,' respectively. The amendments are applicable to the Company from 1 April 2017.

Amendment to Ind AS 7:

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

The Company has evaluated the disclosure requirements of the amendment and the effect on the financial statements is not expected to be material.

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(Amount In GBP)

3 Property, plant and equipment (PPE)

	Computers	Furniture and fixtures	Leasehold improvements	Total
Gross block				
Balance as at 1 April 2019	**16,376.00**	**4,122.00**	**2.00**	**20,500.00**
Additions during the year	8,243.16	-	-	**8,243.16**
Disposals during the year	-	-	-	-
Balance as at 31 March 2020	**24,619.16**	**4,122.00**	**2.00**	**28,743.16**
Additions during the year	8,425.61	-	-	**8,425.61**
Disposals during the year	-	-	-	-
Balance as at 31 March 2021	**33,044.77**	**4,122.00**	**2.00**	**37,168.77**
Accumulated depreciation				
Balance as at 1 April 2019	**16,294.83**	**2,925.39**	**-**	**19,220.22**
Depreciation charge for the year	1,809.56	237.08	-	**2,046.64**
Disposals	-	-	-	-
Balance as at 31 March 2020	**18,104.39**	**3,162.47**	**-**	**21,266.86**
Depreciation charge for the year	3,924.25	-	-	**3,924.25**
Disposals	-	-	-	-
Balance as at 31 March 2021	**22,028.64**	**3,162.47**	**-**	**25,191.11**
Net Block				
Balance as at 31 March 2020	**6,514.77**	**959.53**	**2.00**	**7,476.30**
Balance as at 31 March 2021	**11,016.13**	**959.53**	**2.00**	**11,977.66**

Note:

a. Contractual obligations

There are no contractual commitments for the acquisition of property, plant and equipment.

b. Capitalised borrowing cost

There is no borrowing costs capitalised during the year ended 31 March 2021 (31 March 2020 : Nil).

AXISCADES UK Limited

Notes to financial statements for the year ended 31 March 2021

(Amount In GBP)

4	Non-current tax asset, net	As at 31 March 2021	As at 31 March 2020
	Advances taxes	9,027.22	2,377.55
	Net operating losses	83,087.76	25,952.47
	Deferred tax asset, net	**92,114.98**	**28,330.02**

Note :

Deferred tax asset has been recognised on net operating losses which are available for carry forward as per local laws, to the extent of deferred tax liability recognised on timing difference on depreciation and amortisation.

5	Trade Receivables	As at 31 March 2021	As at 31 March 2020
	Current		
	(a) Trade Receivables considered good - Unsecured	5,52,656.09	4,41,763.80
	(b) Receivables from related parties	-	-
	(c) Trade Receivables which have significant increase in Credit Risk; and	-	-
	(d) Trade Receivables - credit impaired	-	-
		5,52,656.09	**4,41,763.80**

6	Cash and cash equivalents	As at 31 March 2021	As at 31 March 2020
	Balances with bank in current account	53,288.97	59,819.01
	Cash on hand	12.13	12.13
		53,301.100	**59,831.14**

7	Other than Cash and cash equivalents	As at 31 March 2021	As at 31 March 2020
	Balances with bank other than cash and cash equivalents	17.84	17.95
		17.84	**17.95**

8	Loans	As at 31 March 2021	As at 31 March 2020
	Current		
	Loans Receivables considered good - Secured		
	- Advances to Related Parties	18,954.52	-
	- Security deposits - Rent	8,250.00	8,250.00
		27,204.52	**8,250.00**

9	Other financial assets	As at 31 March 2021	As at 31 March 2020
	Current		
	Interest accrued	(0.00)	41,889
	Unsecured, considered good		(0)
	Unbilled revenue	1,20,426.75	1,16,236.95
	Balance with government authorities	38,479.05	-
		1,58,905.80	**1,58,125.95**

10 Other assets

	As at 31 March 2021	As at 31 March 2020
Prepaid expenses	31,007.26	34,815.20
Advance to employees	-	1,500.00
	31,007.26	**36,315.20**

AXISCADES UK Limited
Notes to financial statements for the year ended 31 March 2021

(Amount In GBP)

		Year ended 31 March 2021	Year ended 31 March 2020
16	**Revenue from operations**		
	Sale of services		
	IT enabled services	15,38,731.38	15,97,897.23
		15,38,731.38	**15,97,897.23**
17	**Other income**		
	Miscellaneous income	1,19,345.06	34,594.28
		1,19,345.06	**34,594.28**
18	**EMPLOYEE BENEFITS EXPENSE**		
	Salaries, wages and bonus	5,62,291.86	7,56,201.73
	Contribution to social security	1,20,006.95	1,04,002.54
	Staff welfare	53.02	891.06
		6,82,351.83	**8,61,095.33**
19	**OTHER EXPENSES**		
	Software subscription charges	44,674.27	53,786.85
	Sub-contracting charges	6,65,639.53	5,30,386.07
	Legal and professional charges	31,404.55	37,082.92
	Travelling and conveyance	2,946.96	30,367.30
	Management fees	-	-
	Rent	39,102.50	65,494.92
	Equipment hire charges	472.20	1,853.56
	Recruitment and training expenses	5,400.00	6,500.00
	Insurance expenses	2,949.20	7,615.72
	Communication expenses	9,487.99	15,907.23
	Repairs and maintenance		
	- Buildings	-	-
	- Others	10,608.68	9,893.17
	Auditor's remuneration	-	-
	Bad debts written off	-	-
	Advertising expenses	-	6,175.97
	Electricity charges	5,085.93	7,636.70
	Rates and taxes	13,696.42	12,671.12
	Printing and stationery	1,242.77	2,371.89
	Processing fee and other bank charges	4,312.49	2,627.79
		8,37,023.49	**7,90,371.21**
20	**DEPRECIATION AND AMORTISATION EXPENSE**		
	Depreciation of tangible assets (Also, refer note 3)	3,924.25	2,075.53
		3,924.25	**2,075.53**
21	**FINANCE COSTS**		
	Interest on other loans from Related Party	11,115.05	9,787.85
		11,115.05	**9,787.85**
22	**Profit / (Loss) per share (EPS)**		
a)	Profit/ (loss) after tax attributable to equity shares (in GBP)	1,02,446.51	(30,838.41)
b)	Weighted average number of shares outstanding	5,75,476.00	5,75,476.00
c)	Basic and diluted earnings/ (loss) per share (in GBP)	0.18	(0.05)

(Amount In GBP)

	As at 31 March 2021		As at 31 March 2020	
11 SHARE CAPITAL	**Number**	**Amount (GBP)**	**Number**	**Amount (GBP)**
Authorised share capital				
1,000,000 (previous year 1,000,000) Equity shares of GBP 1 each	10,00,000	10,00,000	10,00,000	10,00,000
	10,00,000	**10,00,000**	**10,00,000**	**10,00,000**
Issued, subscribed and paid up share capital				
575,476 (previous year 575,476) Equity shares of GBP 1 each fully paid	5,75,476.00	5,75,476.00	5,75,476.00	5,75,476.00
	5,75,476.00	**5,75,476.00**	**5,75,476.00**	**5,75,476.00**
a. Reconciliation of the equity share capital				
Balance at the beginning of the year	5,75,476.00	5,75,476.00	5,75,476.00	5,75,476.00
Add : Issued during the year	-	-	-	-
Balance at the end of the year	**5,75,476.00**	**5,75,476.00**	**5,75,476.00**	**5,75,476.00**

b. Terms and rights attached to equity shares

The company has only one class of equity shares having a par value of £ 1 per share. Each member of equity shares is entitled to one vote per share. The company has not declared any dividends till date. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Shares held by Holding Company	As at 31 March 2021		As at 31 March 2020	
	Number	**GBP**	**Number**	**GBP**
AXISCADES Inc.	5,75,476.00	5,75,476.00	5,75,476.00	5,75,476.00

d. Details of shareholders holding more than 5% shares in the Company	As at 31 March 2021		As at 31 March 2020	
	Number (in Lakhs)	**Percentage**	**Number (in Lakhs)**	**Percentage**
AXISCADES Inc.	5,75,476.00	100%	5,75,476.00	100%

12 Other equity	**As at 31 March 2021**	**As at 31 March 2020**
a) Securities premium		
Balance as per the last financial statements	45,903.52	45,903.52
Add: premium on Issue of equity shares	-	-
Closing Balance	**45,903.52**	**45,903.52**
c) Surplus in the Statement of Profit and Loss		
Balance at the beginning of the year	(3,61,837.99)	(3,30,999.58)
Add : Net profit/(loss) for the year	1,02,446.51	(30,838.41)
Balance at the end of the year	**(2,59,240.46)**	**(3,61,837.99)**
Total reserves and surplus	**(2,13,336.94)**	**(3,15,934.47)**

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(Amount In GBP)

13 Borrowings	**As at 31 March 2021**	**As at 31 March 2020**
Non current		
Secured		
Term loan from banks	50,000.00	-
Current		
(Unsecured)		
Loans from related party	2,49,109.50	3,01,604.97
	2,99,109.50	**3,01,604.97**

14 Trade Payables	**As at 31 March 2021**	**As at 31 March 2020**
Dues to Related Party	4,896.00	33,351.20
Dues to others	1,77,433.07	97,662.97
	1,82,329.07	**1,31,014.17**

15 Other financial liabilities	**As at 31 March 2021**	**As at 31 March 2020**
Duties and taxes payable	86,376.84	40,877.86
Dues to employees	14,754.90	-
Interest accrued to Related Party	2,308.85	7,071.70
Interest accrued to others	-	0.13
	1,03,440.59	**47,949.69**

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(Amount In GBP)

23 Related Party Disclosures

i. Parties where control exists :

Nature of relationship	Name of party
i. Parties where control exists :	
Holding Company	The company is a subsidiary of AXISCADES Inc., a subsidiary of AXISCADES Engenering Technologies Limited ("ACETL").
ii. Other related parties	
Fellow Subsidiary	AXISCADES Technology Canada Inc.

ii. Transactions with related parties

	Nature of Transaction	Relation ship	31 March 2021	31 March 2020
(i)	***Direct Project Expenses***			
	AXISCADES Engineering Technologies Limited	Holding Company	37,164.00	48,315.20
(ii)	***Reimbursement of expense***			
	AXISCADES Engineering Technologies Limited	Holding Company	2,000.00	9,100.00
(iii)	***Reimbursement of expense cross charged***			
	AXISCADES Engineering Technologies Limited	Holding Company	-	-
(iv)	**Inter-corporate deposit received during the year**			
	AXISCADES Technology Canada Inc.	Fellow Subsidiary Company	2,49,109.50	4,00,607.81
(iv)	**Inter-corporate deposit repaid during the year**			
	AXISCADES Technology Canada Inc.	Fellow Subsidiary Company	3,01,604.97	3,43,000.00
(v)	**Interest expense**			
	AXISCADES Technology Canada Inc.	Subsidiary Company	11,115.05	9,787.85
(vi)	**Salary Cost Cross charged**			
	AXISCADES, Inc.	Subsidiary Company	1,197.00	-
	AXISCADES Engineering Technologies Limited	Subsidiary Company	85,202.62	-
(vii)	**Revenue**			
	AXISCADES Engineering Technologies Limited	Holding Company	45,395.87	2,64,872.24
	AXISCADES Inc.	Subsidiary Company	4,368	10,631

iii. Balances as at the year end

	Nature of Transaction	Relation ship	31 March 2021	31 March 2020
(i)	**Trade payables**			
	AXISCADES Engineering Technologies Limited	Holding Company	-	28,999.20
(ii)	**Interest on ICD**			
	AXISCADES Engineering Technologies Limited	Holding Company	2,308.85	
	AXISCADES Technology Canada Inc.	Subsidiary Company		7,071.70
(iii)	**Inter-corporate deposit payable**			
	AXISCADES Technology Canada Inc.	Subsidiary Company	2,49,109.50	3,01,604.97
(iv)	**Trade receivables**			
	AXISCADES Engineering Technologies Limited	Holding Company	18,954.52	2,23,987.31
	AXISCADES, Inc.	Subsidiary Company		4,676.80
(v)	**Other Payable**			
	AXISCADES Engineering Technologies Limited (Provision for Unbilled)	Holding Company	4,896.00	2,852.00
	AXISCADES Engineering Technologies Limited (Travel expenses)	Holding Company	-	1,500.00
(vi)	**Advances to Related Party**			
	AXISCADES Engineering Technologies Limited	Holding Company	-	-

24 Fair value measurements

(i) Financial instruments by category

The carrying value and fair value of financial instruments by categories as of 31 March 2021 were as follows:

Particulars	Amortised cost	Financial assets/liabilities at FVTPL	Financial assets/liabilities at FVTOCI	Carrying value
Assets:				
Cash and cash equivalents	53,301.10	-	-	53,301.10
Trade receivable	5,52,656.09	-	-	5,52,656.09
Loans		-	-	
Advances to fellow subsidiary	18,954.52	-	-	18,954.52
Security deposits	8,250.00	-	-	8,250.00
Other financial assets		-	-	
Unbilled revenue	1,20,426.75	-	-	1,20,426.75
Interest accrued	(0.00)			
Other current assets	31,007.26	-	-	31,007.26
Total	**7,84,595.72**	**-**	**-**	**7,84,595.72**
Liabilities:				
Borrowings	2,99,109.50	-	-	2,99,109.50
Trade payable	1,82,329.07	-	-	1,82,329.07
Other financial liabilities	1,03,440.59	-	-	1,03,440.59
Total	**5,84,879.16**	**-**	**-**	**5,84,879.16**

The carrying value and fair value of financial instruments by categories as of 31 March 2020 were as follows:

Particulars	Amortised cost	Financial assets/liabilities at FVTPL	Financial assets/liabilities at FVTOCI	Carrying value
Assets:				
Cash and cash equivalents	59,831.14	-	-	59,831.14
Trade receivable	4,41,763.80	-	-	4,41,763.80
Loans		-	-	
Advances to fellow subsidiary	-	-	-	-
Security deposits	8,250.00	-	-	8,250.00
Other financial assets		-	-	
Unbilled revenue	1,58,125.95	-	-	1,58,125.95
Other current assets	36,315.20	-	-	36,315.20
Total	**7,04,286.09**	**-**	**-**	**7,04,286.09**
Liabilities:				
Borrowings	3,01,604.97	-	-	3,01,604.97
Trade payable	1,31,014.17	-	-	1,31,014.17
Other financial liabilities	47,949.69	-	-	47,949.69
Total	**4,80,568.83**	**-**	**-**	**4,80,568.83**

The management assessed that the fair value of cash and cash equivalents, investments, trade receivables, loans, other financial assets, Other current assets, trade payables, working capital loans and other financial liabilities, as applicable approximate the carrying amount largely due to short-term maturity of this instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

(ii) Fair value of financial assets and liabilities measured at amortised cost

The management assessed that for amortised cost instruments, fair value approximate largely to the carrying amount.

(iii) Fair value hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for financial instruments.
Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.
Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

a) Assets and liabilities measured at amortised cost for which fair values are disclosed

The management assessed that for amortised cost instruments, fair value approximate largely to the carrying amount. The Company does not have any financial asset / liability requiring measurement at fair value as all the financial assets and liabilities of the Company are being measured at amortised cost.

26 Financial risk management (cont'd)

(A) Credit risk (cont'd)

Financial assets that are past due but not impaired

There is no other class of financial assets that is past due but not impaired. The Company's credit period generally ranges from 30-120 days from invoicing date. The aging analysis of the receivables has been considered from the date the invoice falls due. The age wise break up of receivables, net of allowances that are past due, is given below:

Particulars	As at 31 March 2021	As at 31 March 2020
Financial assets that are neither past due nor impaired	5,37,843	3,28,778
Financial assets that are past due but not impaired		
Past due 0-60 days	25,824	45,168
Past due 61-180 days		67,818
Over 180 days	14,499	-
Total past due but not impaired	5,78,166	4,41,764

(B) Liquidity risk

The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived. As of 31 March 2021, the Company had a working capital of GBP 2.90 lakhs including cash and cash equivalents of GBP 0.53 lakhs.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Maturities of financial liabilities As at 31 March 2021	Less than 1 year	1 year to 5 years	More than 5 years	Total
Borrowings	2,99,110	-	-	2,99,110
Trade payables	1,82,329	-	-	1,82,329
Dues to employees	14,755	-	-	14,755
Interest accrued	2,309	-	-	2,309
Total	4,98,502	-	-	4,98,502

Maturities of financial liabilities As at 31 March 2020	Less than 1 year	1 year to 5 years	More than 5 years	Total
Borrowings	3,01,605	-	-	3,01,605
Trade payables	1,31,014	-	-	1,31,014
Dues to employees	-	-	-	-
Interest accrued	7,072	-	-	7,072
Total	4,39,691	-	-	4,39,691

Maturities of financial liabilities

(C) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of currency risk. Financial instruments affected by market risk include trade and other receivables/ payables. The Company is not exposed to foreign currency risk, interest rate risk and certain other price risk, which are a result from both its operating and investing activities as the Company's transactions are carried out in GBP and it does not hold any investments or financial instruments in currency other than GBP.

Interest rate risk

The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, Financial Instruments- Disclosures, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

27 Segment Information

The financial report of the Group would include segment information, therefore no separate disclosure on segment information is given in these standalone financial statements.

28 The outbreak of COVID 19 pandemic has resulted in significant reduction in economic activities. The Management has taken steps to rationalise expenses. The Management has considered the risks that may result from the uncertainty relating to this pandemic and its consequential impact on the carrying amounts of the assets. Based on the Management's analysis of current indicators of the future economic activities on its businesses and the estimates used in its financial statements, the Company does not foresee any material impact in the recoverability of the carrying value of the assets. The risk assessment is a continuous process and the Company will continue to monitor the impact of the changes in the future conditions on its business.

29 The figures of the previous year have been regrouped/reclassified, wherever necessary, to confirm with the current year classificatio

The Accompaning notes are intergal Part of Standalone Ind AS financial statements

As per our report of even date

Chhapolika and Company
Chartered Accountants
ICAI Firm Registration Number: 030728N

Ankur Chhapolika Ankur Chhapolika
Partner
Membership No: 224277

Place: Bengaluru
Date :

For and on behalf of the Board of Directors of
AXISCADES UK Limited

Mitesh Yadav MYadav
Director

Place: Bengaluru
Date :

Ajay Sarin
Director Ajay Sarin

Place: Bengaluru
Date : 10/6/21