

Axis EU Europe Limited  
*(Formerly Axis EU Ltd.)*

Report of the Directors  
For the Year Ended 31 March 2015

The directors present their report with the financial statement of the company for the year ended March 2015.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of computer aided design services.

**REVIEW OF FINANCIAL RESULTS**

The results for the year and financial position of the company are as shown in the annexed financial statements.

**DIRECTORS**

The directors shown below held office during the year under consideration:

R Chand  
S Valmeekanathan  
Sreedhar Rao Ellentala  
Malcolm Moore

Mr. S.Valmeekanathan & Mr. Sreedhar Rao Ellentala were appointed as the Director of the Company w.e.f. 6<sup>th</sup> May 2014 and Mr. S. Ravinarayanan ceases to be the Director of the company w.e.f. 7<sup>TH</sup> August, 2014.

**STATEMENT OF DIRECTORS' REPONSIBILITIES**

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;

-prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also taken reasonable steps for the prevention and detection of fraud and other irregularities.

#### **STATEMENTS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

#### **CHANGE OF NAME OF COMPANY**

During the year the Company got its name changed to Axis EU Europe Limited, which is effective 21<sup>st</sup> August 2014.

#### **AUDITORS**

The auditors, Accapita, will be proposed for re-appointment at the forthcoming Annual General Meeting. However, additionally an audit has been carried out in India by Sadana & Co., Chartered Accountants for the purpose of consolidation of the accounts of Axis EU Europe Ltd with those of AXISCADES Engineering Technologies Ltd. (formerly Axis-IT&T Ltd.).

This report has been prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small companies.

**ON BEHALF OF THE BOARD:**

-sd-

Date: May 18, 2015

**S.Valmeekanathan**  
**Director**



# SADANA & CO.

## CHARTERED ACCOUNTANTS

109, Vishal Chambers, Sector-18, Noida-201301  
E-mail: sadanaca@gmail.com | Tel: +91-120-2510287, Telefax: +91-120-4235368

### INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF AXIS EU EUROPE LIMITED

#### **Report on the Financial Statements**

We have audited the accompanying financial statements of AXIS EU EUROPE LIMITED ("the company"), which comprise the Balance Sheet as at 31 March 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### **Management's Responsibility for the Financial Statements**

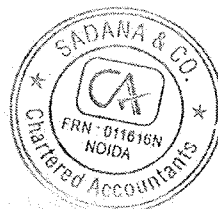
The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan



and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March 2015, its profit/loss and its cash flows for the year ended on that date.

### **Report on other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by Requirements of the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, are not applicable.
2. As required by section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.



c) the Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of written representations received from the directors as on 31 March, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2015, from being appointed as a director in terms of Section 164(2) of the Act.

f) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:

i. The Company does not have any pending litigations which would impact its financial position

ii. The Company did not have any long-term contracts including derivatives contracts which there were any material foreseeable losses.

iii. There were no amounts which required to be transferred by the Company to the Investor Education and Protection Fund.

**For Sadana & Co.**  
**Chartered Accountants**  
**FRN 011616N**



**(CA Amit Bansal)**  
**Partner**  
**Membership No. 098966**

**Date: 18<sup>th</sup> May, 2015**  
**Place: Noida**

# Balance Sheet

	NOTE	As at 31 March 2015 GBP	As at 31 March 2014 GBP
<b>EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS' FUNDS</b>			
Share capital	2	575,476	575,476
Reserves and surplus	3	<u>121,488</u>	<u>96,211</u>
		<u>696,964</u>	<u>671,687</u>
<b>CURRENT LIABILITIES</b>			
Short-term Provisions	5	19	-
Trade payables	5	138,695	236,390
Other current liabilities	6	<u>113,039</u>	<u>101,787</u>
		<u>251,753</u>	<u>338,177</u>
<b>TOTAL</b>		<u>948,717</u>	<u>1,009,864</u>
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Fixed assets			
Tangible assets	8	9,364	16,275
Deferred Tax Assets(net)	4	<u>3,925</u>	<u>9,122</u>
		<u>13,289</u>	<u>25,397</u>
<b>CURRENT ASSETS</b>			
Trade receivables	10	525,582	871,359
Cash and cash equivalents	11	358,524	58,294
Short-term loans and advances	12	42,762	34,497
Other current assets	13	<u>8,560</u>	<u>20,317</u>
		<u>935,428</u>	<u>984,467</u>
<b>TOTAL</b>		<u>948,717</u>	<u>1,009,864</u>

Notes 1 to 21 form an integral part of these financial statements.

This is the Balance Sheet referred to in our report of even date.

For Sadana & Co.  
Chartered Accountants  
FRN: 011616N



CA Amit Bansal)  
Partner  
Membership No. : 098966  
New Delhi  
8 May 2015

For and on behalf of the Board of Directors  
Axis EU Europe Limited

Sreedhar Rao Ellentala  
Director

New Delhi  
18 May 2015

S. Valmeekanathan  
Director

New Delhi  
18 May 2015

Axis EU Europe Limited

Statement of Profit and Loss

	NOTE	Year Ended 31 March 2015 GBP	Year Ended 31 March 2014 GBP
<b>INCOME</b>			
Revenue from operations		2,770,777	3,130,475
Other Income		4,802	
<b>TOTAL</b>		<b>2,775,579</b>	<b>3,130,475</b>
<b>EXPENSES</b>			
Employee benefits expense	14	1,640,853	1,628,237
Direct Project Expenses		857,013	1,091,865
Other expenses	15	233,672	184,390
<b>TOTAL</b>		<b>2,731,538</b>	<b>2,904,492</b>
<b>EARNINGS/ (LOSS) BEFORE INTEREST, TAX, DEPRECIATION AND AMORTISATION (EBITDA)</b>		<b>44,041</b>	<b>225,983</b>
Depreciation and amortisation expense	16	13,548	13,255
Finance costs	17	-	7,687
<b>PROFIT/ (LOSS) BEFORE TAX</b>		<b>30,493</b>	<b>205,041</b>
Tax expense			
- Current tax		19	-
- Deferred tax (credit)/ charge		5,197	(9,122)
<b>PROFIT/ (LOSS) FOR THE YEAR</b>		<b>25,277</b>	<b>214,163</b>
<b>Earnings/ (Loss) per equity share:</b>	18		
Basic and diluted		0.04	0.37

Notes 1 to 21 form an integral part of these financial statements.

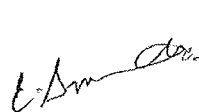
This is the Statement of Profit and Loss referred to in our report of even date.

For Sadana & Co.  
Chartered Accountants  
FRN-011616N



(CA Amit Bansal)  
Partner  
Membership No. : 098966  
New Delhi  
18 May 2015

For and on behalf of the Board of Directors  
Axis EU Europe Limited

  
Sreedhar Rao Ellentala  
Director

New Delhi  
18 May 2015

  
S. Valmeekanathan  
Director

New Delhi  
18 May 2015

Axis EU Europe Limited  
Notes to the financial statements for the year ended 31 March 2015

1 SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation of financial statements

The financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP') and comply with the mandatory Accounting Standards ('AS') and other pronouncements as issued by the Institute of Chartered Accountants of India ('ICAI'). The accounting policies applied by the Company are consistent with those used in the previous year unless otherwise stated.

(b) Use of estimates

The preparation of financial statements is in conformity with generally accepted accounting principles, which requires the management of the Company to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of liabilities at the date of the financial statements and the results of operations during the reporting periods. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from those estimates. Significant estimates used by management in the preparation of these financial statements include the estimates of the economic useful lives of the fixed assets, provisions for bad and doubtful debts and employee benefits. Any revision to accounting estimates are recognised prospectively.

(c) Revenue recognition

The Company derives its revenues primarily from engineering design services. Service income comprises of income from time-and-material and fixed-price contracts. Revenue from time-and-material contracts is recognised in accordance with the terms of the contracts with clients. Revenue from fixed-price contracts is recognised using the percentage of completion method, calculated as the proportion of the efforts incurred up to the reporting date to the estimated total efforts. Provisions for estimated losses on incomplete contracts are recorded in the period in which such losses become probable based on the current contract estimates.

Unbilled revenue represent costs incurred and revenue recognised on amounts to be billed in subsequent periods as per contractual terms. The related billings are made within the next operating cycle.

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend on investments is recognised when the right to receive dividend is established.

(d) Fixed assets and depreciation/amortisation

i) Tangible

Fixed assets are carried at the cost less accumulated depreciation and impairment losses. The cost of fixed assets comprises of its purchase price and other costs attributable to bringing such assets to its working condition for its intended use. Advances paid towards the acquisition of fixed assets outstanding at each Balance Sheet date are disclosed as other non-current assets and the cost of fixed assets not ready for their intended use before such date are disclosed as capital work-in-progress.

Expenditure on account of modification / alteration in fixed assets, which increases the future benefit from the existing asset beyond its previous assessed standard of performance, is capitalised.

ii) Intangible

Intangible asset comprises of software and is stated at cost less accumulated amortisation and impairment losses.

iii) Depreciation and amortisation

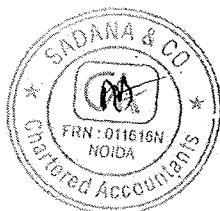
Depreciation on fixed assets is provided on straight line method at rates based on the management's estimates of useful life, as follows:

Asset category	Depreciation Rate
Office equipment's	20.00%
Computers	33.33%
Furniture & fixtures	14.29%
Softwares	20.00% - 33.33%
Leasehold improvement	Period of lease

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

(e) Impairment of assets

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the 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 Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.





## Axis EU Europe Limited

### Notes to the financial statements for the year ended 31 March 2015

#### (f) Investments

Investments that are readily realisable and intended to be held for not more than one year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the long-term investments.

#### (g) Finance costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are capitalised as part of assets. Other borrowings cost are recognized as an expense in the period in which they are incurred.

#### (h) Foreign currency transactions

Foreign currency transactions are recorded at the exchange rate prevailing on the date of the transaction. Differences arising out of foreign currency transactions settled during the year are recognised in the Statement of profit and loss.

Monetary items outstanding at the Balance Sheet date and denominated in foreign currencies are recorded at the exchange rate prevailing at the end of the year. Differences arising there from are recognised in the Statement of profit and loss.

Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

Investments in foreign companies are recorded at the exchange rate prevailing on the date of making the respective investments.

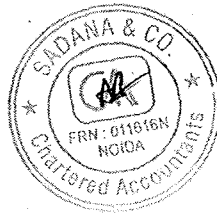
#### (i) Employee benefits

Expenses and liabilities in respect of employee benefits are recorded in accordance with Accounting Standard 15 Employee Benefits.

#### *Social security*

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.

(This space has been intentionally left blank)



**Axis EU Europe Limited**  
**Notes to the financial statements for the year ended 31 March 2015**

**(j) Income taxes**

*Current tax*

Provision is made for income tax under the tax payable method, based on the liability computed, after taking credit for allowances and exemptions. Net operating losses carryover in accordance with the tax laws which gives rise to future economic benefits in the form of adjustments of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal tax. Accordingly, it is recognised as an asset in the Balance Sheet when it is probable that the future economic benefit associated with it will flow to the Company and the asset can be measured reliably. Tax expenses comprise both current and deferred taxes.

*Deferred tax*

Deferred tax charge or credit reflects the tax effect of timing differences between accounting income and taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed at each Balance Sheet date and written down or written-up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realised.

Unrecognised deferred tax assets of earlier years are re-assessed and recognised to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realised.

**(k) Provisions and contingent liabilities**

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may but probably will not require an outflow of resources. Disclosure is also made in respect of a present obligation that probably requires an outflow of resources, where it is not possible to make a reliable estimate of the related outflow. Where there is a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

**(l) Leases**

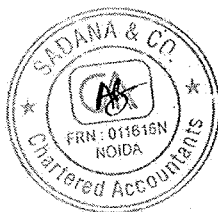
Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of profit and loss on a straight-line basis over the lease term.

**(m) Earnings /(Loss) Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) 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, bonus element in a rights issue, share split, and reverse share split (consolidation of shares).

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(This space has been intentionally left blank)



**Axis EU Europe Limited**

**Notes to the financial statements for the year ended 31 March 2015 (Cont'd)**

2 SHARE CAPITAL	As at 31 March 2015		As at 31 March 2014	
	Number	GBP	Number	GBP
<b>Authorised</b>				
1,000,000 ( previous year 1,000,000) Equity shares of GBP 1 each	1,000,000	1,000,000	1,000,000	1,000,000
	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>
<b>Issued share capital</b>				
575,476 ( previous year 575,476) Equity shares of GBP 1 each fully paid up	575,476	575,476	575,476	575,476
<b>Subscribed and paid up</b>				
575,476 ( previous year 575,476) Equity shares of GBP 1 each fully paid	575,476	575,476	575,476	575,476
	<u>575,476</u>	<u>575,476</u>	<u>575,476</u>	<u>575,476</u>
<b>a. Reconciliation of the equity share capital</b>				
Balance at the beginning of the year	575,476	575,476	575,476	575,476
Add : Issued during the year	-	-	-	-
<b>Balance at the end of the year</b>	<u>575,476</u>	<u>575,476</u>	<u>575,476</u>	<u>575,476</u>

**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**

Axis Inc	As at 31 March 2015		As at 31 March 2014	
	Number	GBP	Number	GBP
Axis Inc	575,476	575,476	575,476	575,476

**d. Details of shareholders holding more than 5% shares in the Company**

Axis Inc	575,476	575,476	575,476	575,476
----------	---------	---------	---------	---------

**3 RESERVES AND SURPLUS**

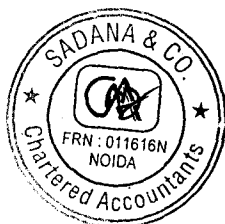
**Equity premium account**

	As at 31 March 2015 GBP	As at 31 March 2014 GBP
Balance as per the last financial statements	45,904	45,904
Add: premium on Issue of equity shares	-	-
<b>Closing Balance</b>	<u>45,904</u>	<u>45,904</u>

**Surplus in the Statement of Profit and Loss**

	As at 31 March 2015 GBP	As at 31 March 2014 GBP
Balance at the beginning of the year	50,307	(163,856)
Add : Net profit/(loss) for the year	25,277	214,163
<b>Balance at the end of the year</b>	<u>75,584</u>	<u>50,307</u>
<b>Total reserves and surplus</b>	<u>121,488</u>	<u>96,211</u>

(This space has been intentionally left blank)



**Axis EU Europe Limited**

**Notes to the financial statements for the year ended 31 March 2015 (Cont'd)**

	As at 31 March 2015 GBP	As at 31 March 2014 GBP
<b>4 DEFERRED TAXES</b>		
<b>Deferred tax liability</b>		
Timing difference on depreciation and amortisation		1,681
<b>Total</b>	<u>-</u>	<u>1,681</u>
<b>Deferred tax asset</b>		
Net operating losses	3,925	10,803
<b>Total</b>	<u>3,925</u>	<u>10,803</u>
<b>Deferred tax asset, net</b>	<u>3,925</u>	<u>9,122</u>

**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 PAYABLES**

Trade payables

	As at 31 March 2015 GBP	As at 31 March 2014 GBP
Trade payables	138,695	236,390
<b>Total</b>	<u>138,695</u>	<u>236,390</u>

**6 OTHER CURRENT LIABILITIES**

Duties and taxes payable  
Dues to employees

Duties and taxes payable	111,159	101,787
Dues to employees	1,880.04	-
<b>Total</b>	<u>113,039</u>	<u>101,787</u>

**7 SHORT TERM PROVISIONS**

Provision for Income Tax

Provision for Income Tax	19	-
<b>Total</b>	<u>19</u>	<u>-</u>

*(This space has been intentionally left blank)*



(Cont'd)

(Amount in GBP)

## 8 TANGIBLE ASSETS

	Computer and Design software	Furniture and fixtures	Leasehold Improvements	Total
<b>Gross block</b>				
Balance as at 1 April 2013	79,906	20,537	5,276	105,719
Additions during the year	10,366	2,387	-	12,753
<b>Balance as at 31 March 2014</b>	<b>90,272</b>	<b>22,924</b>	<b>5,276</b>	<b>118,472</b>
Additions during the year	6,635	-	-	6,635
<b>Balance as at 31 March 2015</b>	<b>96,907</b>	<b>22,924</b>	<b>5,276</b>	<b>125,107</b>
<b>Accumulated depreciation</b>				
Balance as at 1 April 2013	64,257	19,410	5,274	88,940
Charge for the year	12,510	745	-	13,255
<b>Balance as at 31 March 2014</b>	<b>76,766</b>	<b>20,155</b>	<b>5,274</b>	<b>102,195</b>
Charge for the year	12,803	745	-	13,548
<b>Balance as at 31 March 2015</b>	<b>89,569</b>	<b>20,900</b>	<b>5,274</b>	<b>115,743</b>
<b>Net Block</b>				
Balance as at 31 March 2014	13,507	2,769	2	16,277
Balance as at 31 March 2015	7,338	2,024	2	9,364



**Axis EU Europe Limited**

**Notes to the financial statements for the year ended 31 March 2015 (Cont'd)**

	As at 31 March 2015 GBP	As at 31 March 2014 GBP		
<b>9 NON CURRENT INVESTMENT</b> (Unquoted, valued at cost unless stated otherwise)				
Investments in equity Instruments				
Trade				
Investments in Associated Companies	-	-		
	<u>-</u>	<u>-</u>		
<b>10 TRADE RECEIVABLES</b> (Unsecured, considered good)				
Outstanding for a period exceeding six months from the date they are due for collection	-	-		
Other receivables	525,582	871,359		
	<u>525,582</u>	<u>871,359</u>		
<b>11 CASH AND CASH EQUIVALENTS</b>				
Balances with bank in current account	409	58,163		
Cash on hand	21	131		
Fixed deposit	358,094	-		
	<u>358,524</u>	<u>58,294</u>		
<b>12 LOANS AND ADVANCES</b> (Unsecured, considered good)				
	As at 31 March 2015	As at 31 March 2014		
	Long-term GBP	Short-term GBP	Long-term GBP	Short-term GBP
Security deposits	-	8,250	-	6,169
	<u>-</u>	<u>8,250</u>	<u>-</u>	<u>6,169</u>
Receivable from Axis Inc		-		
<b>Other loans and advances</b>				
Prepaid expenses	-	27,383	-	28,207
Other advances recoverable in cash and kind	-	3,250	-	-
Advance to employees	-	3,879	-	120
	<u>-</u>	<u>34,512</u>	<u>-</u>	<u>28,327</u>
	<u>-</u>	<u>42,762</u>	<u>-</u>	<u>34,497</u>
<b>13 OTHER CURRENT ASSETS</b>				
	As at 31 March 2015 GBP	As at 31 March 2014 GBP		
Unbilled revenue	8,560	20,317		
	<u>8,560</u>	<u>20,317</u>		



## Axis EU Europe Limited

### Notes to the financial statements for the year ended 31 March 2015 (Cont'd)

	Year Ended 31 March 2015 GBP	Year Ended 31 March 2014 GBP
<b>14 EMPLOYEE BENEFITS EXPENSE</b>		
Salaries, wages and bonus	1,557,464	1,450,696
Directors' remuneration	68,278	60,387
Directors' social security	8,325	7,060
Contribution to social security	4,711	108,793
Staff welfare	2,075	1,301
	<b>1,640,853</b>	<b>1,628,237</b>
<b>15 OTHER EXPENSES</b>		
Sub-contracting charges	-	-
Software subscription charges	26,985	22,954
Legal and professional charges	1,378	10,098
Travelling and conveyance	81,306	66,068
Rent	22,176	21,000
Recruitment and training expenses	12,686	11,973
Insurance expenses	19,559	8,453
Communication expenses	7,745	5,473
Repairs and maintenance	-	-
- Buildings	20,055	3,662
- Others	12,766	10,048
Statutory Audit Fees	6,805	2,950
Provision for Debtors	5,421	-
Advertising expenses	189	616
Electricity charges	4,400	3,632
Rates and taxes	8,322	6,353
Printing and stationery	2,188	2,701
Processing fee and other bank charges	1,691	7,625
Miscellaneous expenses	-	786
	<b>233,672</b>	<b>184,390</b>
<b>16 DEPRECIATION AND AMORTISATION EXPENSE</b>		
Depreciation of tangible assets (Also, refer note 8)	13,548	13,255
	<b>13,548</b>	<b>13,255</b>
<b>17 FINANCE COSTS</b>		
Interest on other loans	-	7,687
Processing fee and other bank charges	-	-
	<b>-</b>	<b>7,687</b>
<b>18 EARNINGS/ (LOSS) PER SHARE (EPS)</b>		
a) Profit/ (loss) after tax attributable to equity shares (in GBP)	25,277	214,163
b) Weighted average number of shares outstanding	575,476	575,476
c) Basic and diluted earnings/ (loss) per share (in GBP)	0.04	0.37



## Notes to the financial statements for the year ended 31 March 2015 (Cont'd)

## 19 RELATED PARTY DISCLOSURES

## i. Parties where control exists :

**Nature of relationship**  
Holding Company

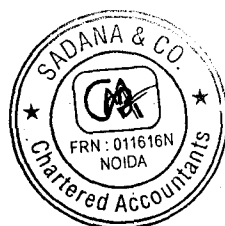
**Name of party**

The Company is a subsidiary of AXIS Inc. a subsidiary of AXISCADES Engineering Technologies Limited (ACETL, formerly Axis-IT&T Limited). ACETL is a subsidiary of Jupiter Capital Private Limited ('JCPL'). Tayana Digital Private Limited (TDPL) ceased to be the intermediate holding company w.e.f. 09 July 2014 and in turn AXISCADES Aerospace Technologies Limited (ACAT) also ceased to be the intermediate holding company.

## iii. Transactions with related parties

(Amount in GBP)

Nature of Transaction	Holding company / Intermediate holding company		Total	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
a) <i>Direct Project Expenses</i> AXISCADES Engineering Technologies Limited	219,354	220,076	219,354	220,076
b) <i>Loans recovered</i> Axis INC.	261,548	-	261,548	-
c) <i>Interest Income</i> Axis INC.	5,281	-	5,281	-
d) <i>Reimbursement of expense</i> AXISCADES Engineering Technologies Limited	3,734	34,173	3,734	34,173
e) <i>Revenue from operations</i> AXISCADES Aerospace and Technologies Limited	-	557,704	-	557,704





## Notes to the financial statements for the year ended 31 March 2015 (Cont'd)

## 19 RELATED PARTY DISCLOSURES (CONT'D)

iv. Balances as at the year end

(Amount in GBP)

Nature of Transaction	Holding Company / Intermediate Holding Company		Total	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
a) <i>Trade payables</i> AXISCADES Engineering Technologies Limited	45,912	277,825	45,912	277,825
b) <i>Travel expenses payable</i> AXISCADES Engineering Technologies Limited	3,734	-	3,734	-
c) <i>Trade receivables</i> AXISCADES Aerospace and Technologies Limited	-	432,704	-	432,704

## 20 SEGMENT REPORTING

The Company has only one business segment, Engineering design services and earns the revenue primarily from sources within United States of America (USA). Accordingly, primary and secondary reporting disclosures for business and geographical segment as envisaged in Accounting Standard -17 (Segment reporting) are not applicable to the Company.

## 21 PREVIOUS YEAR FIGURES

Previous year figures have been regrouped or reclassified wherever considered necessary to conform to current year classification.

For Sadana & Co.  
Chartered Accountants  
FRN: 011616N



Amit Bansal

Partner

Membership No. : 098966  
New Delhi  
18 May 2015

For and on behalf of the Board of Directors

Sreedhar Rao Ellentala  
Director

New Delhi  
18 May 2015

S. Valmeekanathan  
Director

New Delhi  
18 May 2015

Axis EU Europe Limited

# Balance Sheet

	As at 31 March 2015 GBP	As at 31 March 2015 INR	As at 31 March 2014 GBP	As at 31 March 2014 INR
<b>EQUITY AND LIABILITIES</b>				
<b>SHAREHOLDERS' FUNDS</b>				
Share capital	575,476	53,207,993.03	575,476	57,461,164
Reserves and surplus	121,488	11,232,671	96,211	9,606,649
	<b>696,964</b>	<b>64,440,664</b>	<b>671,687</b>	<b>67,067,813</b>
<b>CURRENT LIABILITIES</b>				
Short-term Provisions	19	1,757	-	-
Trade payables	138,695	12,823,615	236,390	23,603,494
Other current liabilities	113,039	10,451,484	101,787	10,163,412
	<b>251,753</b>	<b>23,276,856</b>	<b>338,177</b>	<b>33,766,906</b>
<b>TOTAL</b>	<b>948,717</b>	<b>87,717,520</b>	<b>1,009,864</b>	<b>100,834,718</b>
<b>ASSETS</b>				
<b>NON-CURRENT ASSETS</b>				
Fixed assets				
Tangible assets	9,364	865,787	16,275	1,625,055
Deferred Tax Assets(net)	3,925	362,902	9,122	910,830
	<b>13,289</b>	<b>1,228,689</b>	<b>25,397</b>	<b>2,535,885</b>
<b>CURRENT ASSETS</b>				
Trade receivables	525,582	48,594,839	871,359	87,005,022
Cash and cash equivalents	358,524	33,148,806	58,294	5,820,644
Short-term loans and advances	42,762	3,953,736	34,497	3,444,519
Other current assets	8,560	791,450	20,317	2,028,648
	<b>935,428</b>	<b>86,488,831</b>	<b>984,467</b>	<b>98,298,833</b>
<b>TOTAL</b>	<b>948,717</b>	<b>87,717,520</b>	<b>1,009,864</b>	<b>100,834,718</b>

Axis EU Europe Limited

Statement of Profit and Loss

	Year Ended 31 March 2015 GBP	Year Ended 31 March 2015 INR	Year Ended 31 March 2014 GBP	Year Ended 31 March 2014 INR
<b>INCOME</b>				
Revenue from operations	2,770,777	256,183,536.63	3,130,475	312,577,303
Other Income	4,802	443,973		
<b>TOTAL</b>	<b>2,775,579</b>	<b>256,627,510</b>	<b>3,130,475</b>	<b>312,577,303</b>
<b>EXPENSES</b>				
Employee benefits expense	1,640,853	151,711,792	1,628,237	162,579,139
Direct Project Expenses	857,013	79,238,670	1,091,865	109,022,502
Other expenses	233,672	21,605,103	184,390	18,411,305
<b>TOTAL</b>	<b>2,731,538</b>	<b>252,555,565</b>	<b>2,904,492</b>	<b>290,012,945</b>
<b>EARNINGS/ (LOSS) BEFORE INTEREST, TAX, DEPRECIATION AND AMORTISATION (EBITDA)</b>	<b>44,041</b>	<b>4,071,945</b>	<b>225,983</b>	<b>22,564,357</b>
Depreciation and amortisation expense	13,548	1,252,635	13,255	1,323,509
Finance costs	-	-	7,687	767,545
<b>PROFIT/ (LOSS) BEFORE TAX</b>	<b>30,493</b>	<b>2,819,310</b>	<b>205,041</b>	<b>20,473,303</b>
Tax expense				
- Current tax	19	1,757	-	-
- Deferred tax (credit)/ charge	5,197	480,510	(9,122)	(910,830)
<b>PROFIT/ (LOSS) FOR THE YEAR</b>	<b>25,277</b>	<b>2,337,043</b>	<b>214,163</b>	<b>21,384,133</b>
<b>Earnings/ (Loss) per equity share:</b>				
Basic and diluted	0.04	4	0.37	37