

AXISCADES UK Limited
(Formerly Axis EU Europe Limited)

Report of the Directors
For the Year Ended 31 March 2016

The directors present their report with the financial statement of the company for the year ended March 2016.

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:

Rohitasava Chand
S. Valmeekanathan
Sreedhar Rao Ellentala
Malcolm Moore

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 AXISCADES UK Limited, which is effective November 25, 2015.

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 AXISCADES UK Limited 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:



S. Valmeekanathan
Director

Date: May 27, 2016



Sadana & Co.
106, Vishal Chambers, Sector-18, Noida-201301
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INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF AXISCADES UK LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of AXIS CADES UK LIMITED (“the company”), Formerly known as Axis EU Europe Limited, which comprise the Balance Sheet as at 31 March 2016, 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 2016, its profit/loss and its cash flows for the year ended on that date.

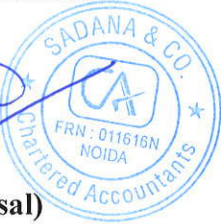

Report on other Legal and Regulatory Requirements

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, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2016, 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: 27-May-2016
Place: Bengaluru

AXISCADES UK Limited


Balance Sheet

	NOTE	As at 31 March 2016 GBP	As at 31 March 2015 GBP
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share capital	2	575,476	575,476
Reserves and surplus	3	28,621	121,488
		<u>604,097</u>	<u>696,964</u>
CURRENT LIABILITIES			
Short-term Provisions	7	-	19
Trade payables	5	375,400	138,695
Other current liabilities	6	137,582	113,039
		<u>512,982</u>	<u>251,753</u>
TOTAL		<u><u>1,117,079</u></u>	<u><u>948,717</u></u>
ASSETS			
NON-CURRENT ASSETS			
Fixed assets			
Tangible assets	8	19,910	9,364
Deferred Tax Assets(net)	4	18,097	3,925
		<u>38,007</u>	<u>13,289</u>
CURRENT ASSETS			
Trade receivables	10	812,760	525,582
Cash and cash equivalents	11	142,688	358,524
Short-term loans and advances	12	81,605	42,762
Other current assets	13	42,019	8,560
		<u>1,079,072</u>	<u>935,428</u>
TOTAL		<u><u>1,117,079</u></u>	<u><u>948,717</u></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
Bengaluru
27-May-16



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


Sreedhar Rao Ellentala
Director
Bengaluru
27-May-16


S. Valmeekanathan
Director
Bengaluru
27-May-16

AXISCADES UK Limited

Statement of Profit and Loss

	NOTE	Year ended 31 March 2016 GBP	Year ended 31 March 2015 GBP
INCOME			
Revenue from operations		2,665,947	2,770,777
Other Income		369	4,802
TOTAL		2,666,317	2,775,579
EXPENSES			
Employee benefits expense	14	1,782,977	1,640,853
Direct Project Expenses		690,310	857,013
Other expenses	15	290,100	233,672
TOTAL		2,763,387	2,731,538
EARNINGS/ (LOSS) BEFORE INTEREST, TAX, DEPRECIATION AND AMORTISATION (EBITDA)		(97,071)	44,041
Depreciation and amortisation expense	16	9,968	13,548
Finance costs	17	-	-
PROFIT/ (LOSS) BEFORE TAX		(107,039)	30,493
Tax expense			
- Current tax		-	19
- Deferred tax (credit)/ charge		(14,172)	5,197
PROFIT/ (LOSS) FOR THE YEAR		(92,867)	25,277
Earnings/ (Loss) per equity share:	18		
Basic and diluted		(0.16)	0.04

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
Bengaluru
27-May-16



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

Sreedhar Rao Ellentala
Director

Bengaluru
27-May-16

S.Valmeekanathan
Director

Bengaluru
27-May-16

Cash Flow Statement

	Year ended 31 March 2016 GBP	Year ended 31 March 2015 GBP
Cash flows from operating activities		
Profit/ (Loss) before taxation	(107,039)	30,493
Adjustment for :		
Depreciation and amortisation expense	9,968	13,548
Operating profit before working capital changes	<u>(97,071)</u>	<u>44,041</u>
Decrease in trade receivables	(287,178)	345,777
Decrease/ (Increase) in loans and advances	(38,842)	(8,265)
Decrease in other current assets	(33,459)	16,953
Increase/ (Decrease) in Provisions	(19)	19
Increase/ (Decrease) in trade payables	236,705	(97,695)
Increase/ (Decrease) in other current liabilities	24,542	11,252
Cash generated from operations	<u>(195,322)</u>	<u>312,082</u>
Refund received/ (tax paid)	-	(5,216)
Net cash generated from operating activities	<u>(195,322)</u>	<u>306,866</u>
Cash flows from investing activities		
Purchase of fixed assets	(20,514)	(6,635)
Net cash used in investing activities	<u>(20,514)</u>	<u>(6,635)</u>
Cash flows from financing activities		
Net cash used in financing activities	<u>-</u>	<u>-</u>
Net (decrease)/ Increase in cash and cash equivalents	(215,836)	300,230
Cash and cash equivalents at beginning of the year	358,524	58,294
Cash and cash equivalents at the end of the year	<u>142,688</u>	<u>358,524</u>

This is the Cash Flow Statement referred to in our report of even date.

For Sadana & Co.
Chartered Accountants
FRN: 011616N



(CA Amit Bansal)
Partner
Membership No. : 098966
Bengaluru
27 May 2016

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

Sreedhar Rao Ellentala
Director

Bengaluru
27 May 2016

S. Valmeekanathan
Director

Bengaluru
27 May 2016

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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.



(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.

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AXISCADES UK Limited

Notes to the financial statements for the year ended 31 March 2016

(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.

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AXISCADES UK Limited

Notes to the financial statements for the year ended 31 March 2016 (Cont'd)

2 SHARE CAPITAL	As at 31 March 2016		As at 31 March 2015	
	Number	GBP	Number	GBP
Authorised				
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>
Issued share capital				
575,476 (previous year 575,476) Equity shares of GBP 1 each fully paid up	575,476	575,476	575,476	575,476
Subscribed and paid up				
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>
a. Reconciliation of the equity share capital				
Balance at the beginning of the year	575,476	575,476	575,476	575,476
Add : Issued during the year	-	-	-	-
Balance at the end of the year	<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	As at 31 March 2016		As at 31 March 2015	
	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

Securities premium account

Balance as per the last financial statements
Add: premium on Issue of equity shares
Closing Balance

As at 31 March 2016 GBP	As at 31 March 2015 GBP
45,904	45,904
-	-
<u>45,904</u>	<u>45,904</u>

Surplus in the Statement of Profit and Loss

Balance at the beginning of the year
Add : Net profit/(loss) for the year
Balance at the end of the year

75,584	50,307
(92,867)	25,277
<u>(17,283)</u>	<u>75,584</u>
<u>28,621</u>	<u>121,488</u>

Total reserves and surplus

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AXISCADES UK Limited**Notes to the financial statements for the year ended 31 March 2016 (Cont'd)**

	As at 31 March 2016 GBP	As at 31 March 2015 GBP
4 DEFERRED TAXES		
Deferred tax liability		
Timing difference on depreciation and amortisation	-	-
Total	<u>-</u>	<u>-</u>
Deferred tax asset		
Net operating losses	18,097	3,925
Total	<u>18,097</u>	<u>3,925</u>
Deferred tax asset, net	<u><u>18,097</u></u>	<u><u>3,925</u></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.

	As at 31 March 2016 GBP	As at 31 March 2015 GBP
5 TRADE PAYABLES		
Trade payables	375,400	138,695
	<u>375,400</u>	<u>138,695</u>
6 OTHER CURRENT LIABILITIES		
Duties and taxes payable	137,581	111,159
Dues to employees	0	1,880
	<u>137,582</u>	<u>113,039</u>
7 SHORT TERM PROVISIONS		
Provision for Income Tax	-	19
	<u>-</u>	<u>19</u>

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Notes to the financial statements for the year ended 31 March 2016

(Cont'd)

(Amount in GBP)

8 TANGIBLE ASSETS

	Computer and Design software	Furniture and fixtures	Leasehold improvements	Total
Gross block				
Balance as at 1 April 2014	90,272	22,924	5,276	118,472
Additions during the year	6,635	-	-	6,635
Balance as at 31 March 2015	96,907	22,924	5,276	125,107
Additions / delition during the year	17,264	3,207	-	20,471
Balance as at 31 March 2016	114,171	26,131	5,276	145,578
Accumulated depreciation				
Balance as at 1 April 2014	76,766	20,155	5,274	102,195
Charge for the year	12,803	745	-	13,548
Balance as at 31 March 2015	89,569	20,900	5,274	115,743
Charge for the year	8,816	1,109	-	9,968
Balance as at 31 March 2016	98,385	22,009	5,274	125,668
Net Block				
Balance as at 31 March 2015	7,339	2,024	2	9,364
Balance as at 31 March 2016	15,786	4,122	2	19,910



AXISCADES UK Limited

Notes to the financial statements for the year ended 31 March 2016 (Cont'd)

	As at 31 March 2016 GBP	As at 31 March 2015 GBP
9 NON CURRENT INVESTMENT (Unquoted, valued at cost unless stated otherwise)		
Investments in equity instruments		
Trade		
Investments in Associated Companies	-	-
	<u>-</u>	<u>-</u>
10 TRADE RECEIVABLES (Unsecured, considered good)		
Outstanding for a period exceeding six months from the date they are due for collection	-	-
Other receivables	812,760	525,582
	<u>812,760</u>	<u>525,582</u>
11 CASH AND CASH EQUIVALENTS		
Balances with bank in current account	5,481	409
Cash on hand	1,244	21
Fixed deposit	135,964	358,094
	<u>142,688</u>	<u>358,524</u>
12 LOANS AND ADVANCES (Unsecured, considered good)		
	As at 31 March 2016	As at 31 March 2015
	Long-term GBP	Short-term GBP
	GBP	GBP
Security deposits	-	8,250
	<u>-</u>	<u>8,250</u>
Receivable from related party		44,938
Other loans and advances		
Prepaid expenses	-	27,958
Other advances recoverable in cash and kind	-	-
Advance to employees	-	459
	<u>-</u>	<u>28,417</u>
	<u>-</u>	<u>34,512</u>
	<u>-</u>	<u>81,605</u>
	<u>-</u>	<u>42,762</u>
13 OTHER CURRENT ASSETS		
	As at 31 March 2016 GBP	As at 31 March 2015 GBP
Unbilled revenue	42,019	8,560
	<u>42,019</u>	<u>8,560</u>



AXISCADES UK Limited**Notes to the financial statements for the year ended 31 March 2016 (Cont'd)**

	Year ended 31 March 2016 GBP	Year ended 31 March 2015 GBP
14 EMPLOYEE BENEFITS EXPENSE		
Salaries, wages and bonus	1,701,963	1,557,464
Directors' remuneration	68,442	68,278
Directors' social security	8,343	8,325
Contribution to social security	2,430	4,711
Staff welfare	1,799	2,075
	1,782,977	1,640,853

15 OTHER EXPENSES

Software subscription charges	34,983	26,985
Legal and professional charges	12,852	1,378
Travelling and conveyance	82,827	81,306
Rent	34,564	22,176
Recruitment and training expenses	11,905	12,686
Insurance expenses	19,675	19,559
Communication expenses	9,422	7,745
Repairs and maintenance		
- Buildings	2,483	20,055
- Others	11,984	12,766
Statutory Audit Fees	3,320	6,805
Provision for Debtors	-	5,421
Advertising expenses	37,323	189
Electricity charges	4,333	4,400
Rates and taxes	13,447	8,322
Printing and stationery	2,778	2,188
Processing fee and other bank charges	2,423	1,691
Miscellaneous expenses	5,782	-
	290,100	233,672

16 DEPRECIATION AND AMORTISATION EXPENSE

Depreciation of tangible assets (Also, refer note 8)	9,968	13,548
	9,968	13,548

17 FINANCE COSTS

Interest on other loans	-	-
Processing fee and other bank charges	-	-
	-	-

18 EARNINGS/ (LOSS) PER SHARE (EPS)

a) Profit/ (loss) after tax attributable to equity shares (in GBP)	(92,867)	25,277
b) Weighted average number of shares outstanding	575,476	575,476
c) Basic and diluted earnings/ (loss) per share (in GBP)	(0.16)	0.04



Notes to the financial statements for the year ended 31 March 2016 (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 Private Limited (ACAT) also ceased to be the intermediate holding company.

ii. Transactions with related parties
(Amount in GBP)

	Nature of Transaction	Holding company / Intermediate holding company		Total	
		31 March 2016	31 March 2015	31 March 2016	31 March 2015
a)	<i>Direct Project Expenses</i> AXISCADES Engineering Technologies Limited	263,996	219,354	263,996	219,354
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	10,000	3,734	10,000	3,734
e)	<i>Reimbursement of expense cross charged</i> AXISCADES Engineering Technologies Limited	44,938	-	44,938	-



Notes to the financial statements for the year ended 31 March 2016 (Cont'd)

19 RELATED PARTY DISCLOSURES (CONT'D)

iii. Balances as at the year end

(Amount in GBP)

Nature of Transaction	Holding Company / Intermediate Holding Company		Total	
	31 March 2016	31 March 2015	31 March 2016	31 March 2015
a) <i>Trade payables</i> AXISCADES Engineering Technologies Limited	240,676	45,912	240,676	45,912
b) <i>Travel expenses payable</i> AXISCADES Engineering Technologies Limited	10,000	3,734	10,000	3,734
c) <i>Expenses recoverable</i> AXISCADES Engineering Technologies Limited	44,938	-	44,938	-

20 SEGMENT REPORTING

The Company has only one business segment, Engineering design services and earns the revenue primarily from sources within United Kingdom (UK). 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

(CA Amit Bansal)
Partner
Membership No. : 098966
Bengaluru
27 May 2016



For and on behalf of the Board of Directors

Sreedhar Rao Ellentala
Director

Bengaluru
27 May 2016

S.Valmeekanathan
Director

Bengaluru
27 May 2016

Balance Sheet

	As at 31 March 2016 GBP	As at 31 March 2015 GBP	As at 31 March 2016 INR 95.0882	As at 31 March 2015 INR 92.4591
Exchange Rate				
EQUITY AND LIABILITIES				
SHAREHOLDERS' FUNDS				
Share capital	575,476	575,476	54,720,977	53,207,993
Reserves and surplus	28,621	121,488	2,721,519	11,232,671
	604,097	696,964	57,442,496	64,440,664
CURRENT LIABILITIES				
Short-term Provisions	-	19	-	1,757
Trade payables	375,400	138,695	35,696,110	12,823,615
Other current liabilities	137,581	113,039	13,082,329	10,451,484
	512,981	251,753	48,778,439	23,276,856
TOTAL	1,117,078	948,717	106,220,935	87,717,520
ASSETS				
NON-CURRENT ASSETS				
Fixed assets				
Tangible assets	19,910	9,364	1,893,206	865,787
Deferred Tax Assets(net)	18,097	3,925	1,720,811	362,902
	38,007	13,289	3,614,017	1,228,689
CURRENT ASSETS				
Trade receivables	812,760	525,582	77,283,885	48,594,839
Cash and cash equivalents	142,688	358,524	13,567,945	33,148,806
Short-term loans and advances	81,604	42,762	7,759,577	3,953,736
Other current assets	42,019	8,560	3,995,511	791,450
	1,079,071	935,428	102,606,918	86,488,831
TOTAL	1,117,078	948,717	106,220,935	87,717,520

Statement of Profit and Loss

	Year ended 31 March 2016	Year ended 31 March 2015	Year ended 31 March 2016 95.0882	Year ended 31 March 2015 92.4591
	GBP	GBP	INR	INR
Exchange Rate				
INCOME				
Revenue from operations	2,665,947	2,770,777	253,500,115	256,183,537
Other Income	369	4,802	35,131	443,973
TOTAL	2,666,317	2,775,579	253,535,246	256,627,510
EXPENSES				
Employee benefits expense	1,782,977	1,640,853	169,540,074	151,711,792
Direct Project Expenses	690,310	857,013	65,640,370	79,238,670
Other expenses	290,100	233,672	27,585,087	21,605,103
TOTAL	2,763,387	2,731,538	262,765,531	252,555,565
EARNINGS/ (LOSS) BEFORE INTEREST, TAX, DEPRECIATION AND AMORTISATION (EBITDA)	(97,071)	44,041	(9,230,285)	4,071,945
Depreciation and amortisation expense	9,968	13,548	947,833	1,252,635
Finance costs	-	-	-	-
PROFIT/ (LOSS) BEFORE TAX	(107,039)	30,493	(10,178,118)	2,819,310
Tax expense				
- Current tax	-	19	-	1,757
- Deferred tax (credit)/ charge	(14,172)	5,197	(1,347,590)	480,510
PROFIT/ (LOSS) FOR THE YEAR	(92,867)	25,277	(8,830,528)	2,337,043
Earnings/ (Loss) per equity share:				
Basic and diluted	(0.16)	0.04	(15.00)	4.06

Cash Flow Statement

	Year ended 31 March 2016 GBP	Year ended 31 March 2015 GBP	Year ended 31 March 2016 INR 95.0882	Year ended 31 March 2015 INR 92.4591
Exchange Rate				
Cash flows from operating activities				
Profit/ (Loss) before taxation	(107,039)	30,493	(10,178,118)	2,819,310
Adjustment for :				
Depreciation and amortisation expense	9,968	13,548	947,833	1,252,635
Operating profit before working capital changes	(97,071)	44,041	(9,230,284)	4,071,945
Decrease in trade receivables	(287,178)	345,777	(27,307,239)	31,970,230
Decrease/ (Increase) in loans and advances	(38,842)	(8,265)	(3,693,416)	(764,174)
Decrease in other current assets	(33,459)	16,953	(3,181,556)	1,567,459
Increase/ (Decrease) in Provisions	(19)	19	(1,807)	1,757
Increase/ (Decrease) in trade payables	236,705	(97,695)	22,507,852	(9,032,792)
Increase/ (Decrease) in other current liabilities	24,542	11,252	2,333,655	1,040,350
Cash generated from operations	(195,322)	312,082	(18,572,795)	28,854,775
Refund received/ (tax paid)	-	(5,216)	-	(482,267)
Net cash generated from operating activities	(195,322)	306,866	(18,572,795)	28,372,508
Cash flows from investing activities				
Purchase of fixed assets	(20,514)	(6,635)	(1,950,630)	(613,503)
Net cash used in investing activities	(20,514)	(6,635)	(1,950,630)	(613,503)
Cash flows from financing activities				
Net cash used in financing activities	-	-	-	-
Net (decrease)/ Increase in cash and cash equivalents	(215,836)	300,230	(20,523,425)	27,759,006
Cash and cash equivalents at beginning of the year	358,524	58,294	34,091,402	5,389,811
Cash and cash equivalents at the end of the year	142,688	358,524	13,567,977	33,148,817