

Report of the Directors for the Year Ended 31 March 2014

The Directors present their report with the financial statement of the company for the year ended March 2014.

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 have office during the whole of the period from 1 April 2013 to the date of this report.

R Chand
S R Narayanan
Malcolm Moore

Mr. Murali Krishna resigned from the Directorship w.e.f. 28th February 2014 and Mr. S. Valmeekanathan & Mr. Sreedhar Rao Ellentala were appointed as the Director of the Company w.e.f. 6th May 2014.

STATEMENT OF DIRECTORS' REPOSIBILITIES

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 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, UK) 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.

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 Ltd with those of 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: 16th May 2014

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 Board of Directors of Axis EU Limited

Report on the Financial Statements

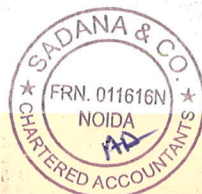
1. We have audited the accompanying financial statements of Axis EU Limited, ("the Company"), which comprise the Balance Sheet as at 31 March 2014, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. Management is responsible for the preparation 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 issued by the Institute of Chartered Accountants of India. This responsibility includes the design, implementation and maintenance of internal control 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.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 control relevant to the Company's preparation and fair presentation of the financial statements 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 Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.



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

Opinion

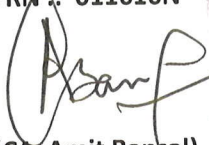
6. In our opinion and to the best of our information and according to the explanations given to us, the financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31 March 2014;
ii) in the case of Statement of Profit and Loss, of the loss for the year ended on that date; and
iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For Sadana & Co.

Chartered Accountants

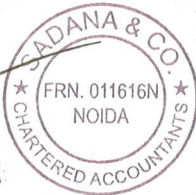
FRN.: 011616N



(CA Amit Bansal)

Partner

Membership No.: 098966



Place: Noida

Date: 16 May 2014

Axis EU Limited

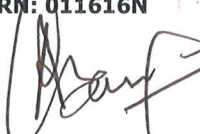
Balance Sheet

	NOTE	As at 31 March 2014 GBP	As at 31 March 2013 GBP
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share capital	2	575,476	575,476
Reserves and surplus	3	96,211	(117,952)
		<u>671,687</u>	<u>457,524</u>
CURRENT LIABILITIES			
Short-term borrowings	5	-	171,626
Trade payables	6	236,390	188,084
Other current liabilities	7	101,787	113,429
		<u>338,177</u>	<u>473,139</u>
TOTAL		<u>1,009,864</u>	<u>930,663</u>
ASSETS			
NON-CURRENT ASSETS			
Fixed assets			
Tangible assets	8	16,275	16,779
Deferred Tax Assets(net)	4	9,122	-
		<u>25,397</u>	<u>16,779</u>
CURRENT ASSETS			
Trade receivables	10	871,359	469,019
Cash and cash equivalents	11	58,294	125,616
Short-term loans and advances	12	34,497	17,577
Other current assets	13	20,317	301,672
		<u>984,467</u>	<u>913,884</u>
TOTAL		<u>1,009,864</u>	<u>930,663</u>

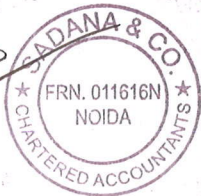
Notes 1 to 20 form an integral part of these financial statements.

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
Noida
16 May 2014



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


Sreedhar Rao Ellentala
Director

Bangalore
16 May 2014


S. Valmeekanathan
Director

Bangalore
16 May 2014

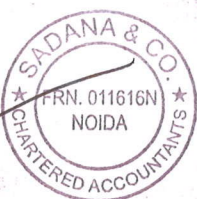
Axis EU Limited
Statement of Profit and Loss

	NOTE	Year Ended 31 March 2014 GBP	Year Ended 31 March 2013 GBP
INCOME			
Revenue from operations		3,130,475	1,994,453
TOTAL		3,130,475	1,994,453
EXPENSES			
Employee benefits expense	14	1,628,237	1,292,775
Direct Project Expenses		1,091,865	410,724
Other expenses	15	184,390	101,746
TOTAL		2,904,492	1,805,245
EARNINGS/ (LOSS) BEFORE INTEREST, TAX, DEPRECIATION AND AMORTISATION (EBITDA)		225,983	189,208
Depreciation and amortisation expense	16	13,255	10,755
Finance costs	17	7,687	10,893
PROFIT/ (LOSS) BEFORE TAX		205,041	167,560
Tax expense			
- Current tax		-	
- Deferred tax (credit)/ charge		(9,122)	
PROFIT/ (LOSS) FOR THE YEAR		214,163	167,560
Earnings/ (Loss) per equity share:	18		
Basic and diluted		0.37	0.29

Notes 1 to 20 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
Noida
16 May 2014

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

Sreedhar Rao Ellentala
Director

Bangalore
16 May 2014

S. Valmeekanathan
Director

Bangalore
16 May 2014

Axis EU Limited

Notes to the financial statements for the year ended 31 March 2014

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

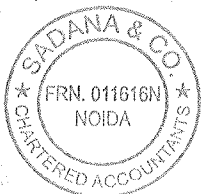
Depreciation on fixed assets is provided on straight line method at rates based on the management's estimates of useful life, as follows:

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 Limited

Notes to the financial statements for the year ended 31 March 2014

(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.

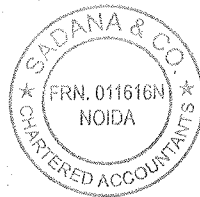
(i) Employee benefits

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 Limited

Notes to the financial statements for the year ended 31 March 2014

(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 Limited

Notes to the financial statements for the year ended 31 March 2014 (Cont'd)

2 SHARE CAPITAL	As at 31 March 2014		As at 31 March 2013	
	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 2014		As at 31 March 2013	
	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
----------	---------	---------	---------	---------

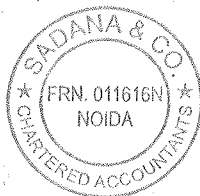
3 RESERVES AND SURPLUS

Securities premium account

	As at 31 March 2014 GBP	As at 31 March 2013 GBP
Balance as per the last financial statements	45,904	45,904
Add: premium on Issue of equity shares	-	-
Closing Balance	<u>45,904</u>	<u>45,904</u>

Surplus in the Statement of Profit and Loss

Balance at the beginning of the year	(163,856)	(331,417)
Add : Net (loss)/ profit for the year	214,163	167,560
Balance at the end of the year	<u>50,307</u>	<u>(163,856)</u>
Total reserves and surplus	<u>96,211</u>	<u>(117,952)</u>

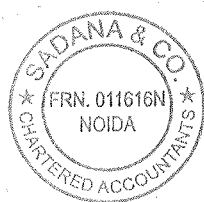


(This space has been intentionally left blank)

Axis EU Limited**Notes to the financial statements for the year ended 31 March 2014 (Cont'd)**

	As at 31 March 2014 GBP	As at 31 March 2013 GBP
4 DEFERRED TAXES		
Deferred tax liability		
Timing difference on depreciation and amortisation	1,681	-
Total	<u>1,681</u>	<u>-</u>
Deferred tax asset		
Net operating losses	10,803	-
Total	<u>10,803</u>	<u>-</u>
Deferred tax asset, net	<u>9,122</u>	<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.		
5 SHORT-TERM BORROWINGS (Unsecured)	As at 31 March 2014 GBP	As at 31 March 2013 GBP
Loans from Axis Inc.	-	171,626
	<u>-</u>	<u>171,626</u>
6 TRADE PAYABLES	As at 31 March 2014 GBP	As at 31 March 2013 GBP
Trade payables	236,390	188,084
	<u>236,390</u>	<u>188,084</u>
7 OTHER CURRENT LIABILITIES		
Duties and taxes payable	101,787	78,600
Dues to employees	-	3,299
Others	-	31,530
	<u>101,787</u>	<u>113,429</u>

(This space has been intentionally left blank)

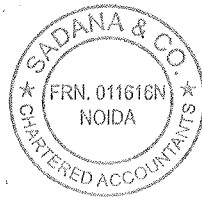


Axis EU Limited**Notes to the financial statements for the year ended 31 March 2014 (Cont'd)**

(Amount in GBP)

8 TANGIBLE ASSETS

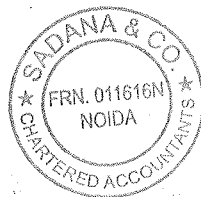
	Computer and Design software	Furniture and fixtures	Leasehold improvements	Total
Gross block				
Balance as at 1 April 2012	61,612	19,372	5,276	86,260
Additions	18,295	1,165	-	19,459
Balance as at 31 March 2013	79,906	20,537	5,276	105,719
Additions	10,365	2,387	-	12,752
Balance as at 31 March 2014	90,272	22,924	5,276	118,470
Accumulated depreciation				
Balance as at 1 April 2012	55,393	18,177	4,616	78,186
Charge for the year	8,864	1,233	658	10,754
Balance as at 31 March 2013	64,257	19,410	5,274	88,940
Charge for the year	12,510	745	-	13,255
Balance as at 31 March 2014	76,766	20,155	5,274	102,195
Net Block				
Balance as at 31 March 2013	15,650	1,127	2	16,779
Balance as at 31 March 2014	13,506	2,768	2	16,275



Axis EU Limited

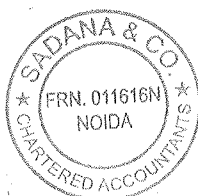
Notes to the financial statements for the year ended 31 March 2014 (Cont'd)

	As at 31 March 2014 GBP	As at 31 March 2013 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	871,359	469,019		
	<u>871,359</u>	<u>469,019</u>		
11 CASH AND CASH EQUIVALENTS				
Balances with bank in current account	58,163	125,567		
Cash on hand	131	48		
	<u>58,294</u>	<u>125,616</u>		
12 LOANS AND ADVANCES (Unsecured, considered good)				
	As at 31 March 2014	As at 31 March 2013		
	Long-term	Short-term	Long-term	Short-term
	GBP	GBP	GBP	GBP
Security deposits	-	6,169	-	6,169
	<u>-</u>	<u>6,169</u>	<u>-</u>	<u>6,169</u>
Other loans and advances				
Prepaid expenses	-	28,207	-	11,408
Advance to employees	-	120	-	-
	<u>-</u>	<u>28,327</u>	<u>-</u>	<u>11,408</u>
	<u>-</u>	<u>34,497</u>	<u>-</u>	<u>17,577</u>
13 OTHER CURRENT ASSETS				
	As at	As at		
	31 March 2014	31 March 2013		
	GBP	GBP		
Unbilled revenue	20,317	301,672		
	<u>20,317</u>	<u>301,672</u>		



Axis EU Limited**Notes to the financial statements for the year ended 31 March 2014 (Cont'd)**

	Year Ended 31 March 2014 GBP	Year Ended 31 March 2013 GBP
14 EMPLOYEE BENEFITS EXPENSE		
Salaries, wages and bonus	1,450,696	1,191,094
Directors' remuneration	60,387	-
Directors' social security	7,060	-
Contribution to social security	108,793	100,276
Staff welfare	1,301	1,406
	<u>1,628,237</u>	<u>1,292,775</u>
15 OTHER EXPENSES		
Software subscription charges	22,954	22,050
Legal and professional charges	10,098	6,235
Travelling and conveyance	66,068	10,566
Rent	21,000	21,000
Recruitment and training expenses	11,973	5,994
Insurance expenses	8,453	3,837
Communication expenses	5,473	3,622
Repairs and maintenance		
- Buildings	3,662	2,301
- Others	10,048	7,282
Statutory Audit Fees	2,950	2,950
Advertising expenses	616	304
Electricity charges	3,632	3,813
Rates and taxes	6,353	6,188
Printing and stationery	2,701	3,145
Processing fee and other bank charges	7,625	1,795
Miscellaneous expenses	786	664
	<u>184,390</u>	<u>101,746</u>
16 DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation of tangible assets (Also, refer note 8)	13,255	10,755
	<u>13,255</u>	<u>10,755</u>
17 FINANCE COSTS		
Interest on other loans	7,687	10,893
	<u>7,687</u>	<u>10,893</u>
18 EARNINGS/ (LOSS) PER SHARE (EPS)		
a) Profit/ (loss) after tax attributable to equity shares (in GBP)	214,163	167,560
b) Weighted average number of shares outstanding	575,476	575,476
c) Basic and diluted earnings/ (loss) per share (in GBP)	0.37	0.29



Axis EU Limited

Notes to the financial statements for the year ended 31 March 2014 (Cont'd)

19 RELATED PARTY DISCLOSURES

i. Parties where control exists :

Nature of relationship

Holding company information

Name of party

The Company is a subsidiary of Axis Inc, a subsidiary of Axis-IT&T Limited which is a subsidiary of Tayana Digital Private Limited (demerged from Tayana Software Solutions Private Limited) which is a subsidiary of Axis Aerospace & Technologies Limited. ('AATL', formerly known as Jupiter Strategic Technologies Private Limited'). AATL, a venture funded by Jupiter Capital Private Limited ('JCPL'), is a subsidiary of the JCPL.

ii. Transactions with related parties:

(Amount in GBP)

	Nature of transaction	Holding Company / Intermediate Holding Company		Total	
		31 March 2014	31 March 2013	31 March 2014	31 March 2013
A	Direct Project Expenses				
1	Axis-IT&T Limited	220,076	214,864	220,076	214,864
2	Cades Digitech Private Limited (Now merged into Axis-IT&T Limited)	53,421	-	53,421	-
B	Repayment of Intercompany Deposit				
	Axis Inc	171,626	-	171,626	-
C	Intercompany Deposit availed				
	Axis Inc	-	115,158	-	115,158
D	Expenses payable				
	Axis-IT&T Limited	33,905	-	33,905	-

iv. Balances as at the year end

(Amount in GBP)

	Nature of Transaction	Holding Company / Intermediate		Total	
		31 March 2014	31 March 2013	31 March 2014	31 March 2013
A	Trade Payables				
1	Axis-IT&T Limited	87,954	116,174	87,954	116,174
2	Cades Digitech Private Limited (Now merged into Axis-IT&T Limited)	33,976	-	33,976	-
B	Intercompany Deposit				
1	Axis Inc	-	171,626	-	171,626

20 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

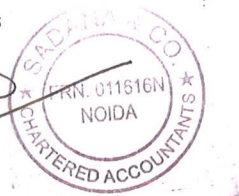
(SA Amit Bansal)

Partner

Membership No. : 098966

Noida

16 May 2014



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

Sreedhar Rao Ellentala

Sreedhar Rao Ellentala
Director

Bangalore
16 May 2014

S. Valmeekanathan

S. Valmeekanathan
Director

Bangalore
16 May 2014

Balance Sheet

	As at 31 March 2014 GBP	As at 31 March 2014 INR	As at 31 March 2013 GBP	As at 31 March 2013 INR
EQUITY AND LIABILITIES				
SHAREHOLDERS' FUNDS				
Share capital	5,75,476	574,61,164	5,75,476	473,73,702
Reserves and surplus	96,211	96,06,649	(1,17,952)	(97,09,915)
	6,71,687	670,67,813	4,57,524	376,63,787
CURRENT LIABILITIES				
Short-term borrowings	-	-	1,71,626	141,28,407
Trade payables	2,36,390	236,03,494	1,88,084	154,83,244
Other current liabilities	1,01,787	101,63,412	1,13,429	93,37,577
Short-term provisions	-	-	-	-
	3,38,177	337,66,906	4,73,139	389,49,228
TOTAL	10,09,864	1008,34,718	9,30,663	766,13,016
ASSETS				
NON-CURRENT ASSETS				
Fixed assets				
Tangible assets	16,275	16,25,055	16,779	13,81,262
Deferred Tax Assets(net)	9,122	9,10,830	-	-
	25,397	25,35,885	16,779	13,81,262
CURRENT ASSETS				
Trade receivables	8,71,359	870,05,022	4,69,019	386,10,066
Cash and bank balances	58,294	58,20,644	1,25,616	103,40,822
Short-term loans and advances	34,497	34,44,519	17,577	14,46,954
Other current assets	20,317	20,28,648	3,01,672	248,33,911
	9,84,467	982,98,833	9,13,884	752,31,753
TOTAL	10,09,864	1008,34,718	9,30,663	766,13,016

Statement of Profit and Loss

	Year ended 31 March 2014 GBP	Year ended 31 March 2014 INR	Year ended 31 March 2013 GBP	Year ended 31 March 2013 INR
INCOME				
Revenue from operations	31,30,475	3125,77,303	19,94,453	1641,85,150
Other income		-		-
TOTAL	31,30,475	3125,77,303	19,94,453	1641,85,150
EXPENSES				
Employee benefit expenses	16,28,237	1625,79,139	12,92,775	1064,22,401
Direct project expenses	10,91,865	1090,22,502	4,10,724	338,11,169
Other expenses	1,84,390	184,11,305	1,01,746	83,75,822
TOTAL	29,04,492	2900,12,945	18,05,245	1486,09,393
EARNINGS BEFORE INTEREST, TAX, DEPRECIATION AND AMORTISATION (EBITDA)	2,25,983	225,64,357	1,89,208	155,75,757
Depreciation and amortisation expense	13,255	13,23,509	10,755	8,85,361
Finance costs	7,687	7,67,545	10,893	8,96,722
PROFIT BEFORE TAX	2,05,041	204,73,303	1,67,560	137,93,674
Tax expense				
- Current tax	-	-	-	-
- Deferred tax (credit)/charge	(9,122)	(9,10,830)		
NET PROFIT	2,14,163	213,84,133	1,67,560	137,93,674
Earnings per share:				
Basic and diluted	0.37	37	0.29	24